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LAST ISSUE

Latin America

FBIS-LAT-96-127
Monday
1 July 1996

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Daily Report
Latin America

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Cuba

Cuba: Reasons for Downing Explained to Botswana's Leaders

PA2806150396 Havana PRENSA LATINA in Spanish 2157 GMT 27 Jun 96

[FBIS Translated Text] Havana, 27 Jun (PL) — Foreign Minister Roberto Robaina said upon his return to his country today: I found in Africa special gratitude and much solidarity for what Cuba did for those peoples, and for the hope Cuba represents for them today.

Likewise, Robaina highlighted the expectations of each of the countries over the possible trip by President Fidel Castro to the continent, especially for the impact that a visit to South Africa would have. Prime Minister Nelson Mandela reiterated the invitation made to the Cuban leader months back.

The diplomat spent the past few weeks in a second tour through southern Africa, which took him this time to Tanzania, Mozambique, South Africa, and Botswana. Previously he visited Angola, Zambia, Namibia, and Zimbabwe, in addition to Ghana.

The Cuban foreign minister was received by the heads of state of the countries visited, to whom he delivered personal messages from Fidel Castro.

He also met with several ministers, mainly those of health, education, trade, culture, and sports, as well as with the presidents of parliaments and with various legislators. In addition, he gave numerous statements to the press.

Robaina also met with representatives of various forces from political, union, and businesses, and with representatives of various organizations and groups of solidarity with Cuba, several of which donated computers.

Of special interest were the extended working meetings with Cuban doctors, teachers, instructors, and specialists that render international assistance in Mozambique, South Africa, and Botswana.

The intense and prolonged programs completed by the Cuban delegation included interviews with Salim A. Salim, president of the Organization of African Unity and with Kaire Mbuende, secretary general of the Community for the Development of Southern Africa, whom he invited to visit Havana.

Upon his arrival in Havana, Robaina conveyed the Africans' gratitude to the Cuban people and government, and particularly to President Fidel Castro, for the generous contribution to the independence cause of each of these countries, and especially in the struggle against apartheid.

In each of the capitals visited by the diplomat he found a political willingness to take steps in favor of strengthening economic, commercial, and cooperation relations.

Furthermore, the Africans ratified the historic position that they have assumed in the main international venues in favor of Cuba's struggle against the U.S. commercial and financial blockade, as well as against the selective and politicized manipulation of the topic of human rights.

In addition, the foreign minister said that it was particularly important having been able to explain to the top authorities in each country the chain of violations to Cuban sovereignty that led to February's downing of the two pirate aircraft.

We understood it to be our fundamental duty that each one of these countries, and especially Botswana, which is a member of the UN security council, to know how much manipulation, political chicanery, and infamy are benind these incidents, as well as in the international investigation that was far from being as objective and serious as expected, the minister added.

Cuba: 'Straight Talk' Discusses ICAO Finding

PA2906183896 Havana Radio Rebelde Network in Spanish 2245 GMT 28 Jun 96

["Straight Talk" program with journalist Eddie Jimenez and program host Renato Recio sitting in for Osvaldo Rodriguez]

[FBIS Translated Text] [Recio] Good afternoon, friends. This is "Straight Talk" here on Rebelde. Today, we have journalist Eddie Jimenez to speak about a very current topic: the recently concluded meeting of the International Civil Aviation Organization [ICAO]. As you have heard in today's news, the ICAO concluded its session with an unexpected end, at least for the United States. I am Renato Recio, and I will attempt to fill in for our colleague Osvaldo Rodriguez, who has a sore throat.

Without further ado I invite Eddie to begin to talk about an important topic.

[Jimenez] Yes, Renato, you are right. At no time did the United States manage the agreement against Cuba that they wanted at the ICAO council. I first want to tell you that I spent all last night searching for information; waiting up to the last moment. I got up early and read all the reports from the wire services — not only PRENSA LATINA, but all the foreign wire services.

I truly feel very emotional because, first of all, the United States at no time got the agreement from the

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[Jimenez] It has already been stated that this case will be taken to the G-7 Summit. In this particular case, the United States has neither the moral authority nor the force for an argument. Remember that the United States has argued that the Helms-Burton law was approved precisely as a consequence of the 24 February incident. Remember that the UN Security Council has asked the ICAO to make a thorough investigation of this problem. This investigation has been completed without condemning Cuba in this case. How will the United States come before the G-7, which is comprised of its allies and the world's most developed capitalist countries, without force and without having obtained a condemnation against Cuba? Why did the United States take these measures? Why did it approve the Helms-Burton law?

[Recio] I think it would be interesting for you to remind me as well as our listeners of how countries voted at the ICAO Council; 33 countries are being mentioned...

[Jimenez, interrupting] [Words indistinct]

[Recio] Please tell us roughly how these countries voted. What were these countries' position while voting?

[Jimenez] Look, according to news dispatches, there were very different opinions. Remember that our delegation is still in Montreal, Canada. It has not returned home yet. We do not have first-hand information. According to news dispatches, there is a group, which includes China, Nigeria, Russia, and India, that openly supported Cuba's position. A large majority approved by consensus a resolution that finally prevailed. This means that the ICAO commission's study was ill-intended because of U.S. pressure. This study will be submitted to the UN Security Council along with this resolution that did not condemn Cuba. This means that the idea of having a concerted resolution prevailed...

[Recio, interrupting] [Words indistinct]

[Jimenez] The majority of the G-7 countries were among those that sought a concerted solution, including Italy, France, and Spain. In other words, there was a number of countries involved.

[Recio] Eddie, a while ago you mentioned that the U.S. Government has been recently experiencing a number of diplomatic defeats. I would like to ask you. Do you believe...

[Jimenez, interrupting] Excuse me. The next defeat will take place at the UN Security Council because, well, the United States has already this point against it in the first place. Second, the NAM [Nonaligned Movement] Coordination Bureau has pledged its support to Cuba and has made it public for the particular case of the downing of small airplanes.

[Recio] Well, you have also mentioned the recent OAS vote against the Helms-Burton law. Because of its scope and quality, this was indeed a victory over the United States that no one had expected. In your opinion, Eddie, does this mean that the world has changed so much that U.S. diplomatic and political methods should change? I would like to...

[Jimenez, interrupting] The United States follows an old-fashioned policy toward Cuba that remains fixed in the Cold War. In Cuba's case, the United States is not looking at a dispute. We cannot speak of a dispute with the United States. This is much deeper than merely a dispute. The United States is looking at this from a perspective of past decades. The United States has to change. In my opinion as I said at a program last week, if U.S. President Bill Clinton were half-way intelligent, he should look at and reexamine U.S. policy, not only toward Cuba, but also toward the remaining Latin American countries...

[Recio, interrupting] Apparently, Eddie, it is difficult for him to be very intelligent during the elections.

[Jimenez] It seems difficult, because there are many pressures. Remember also that we have stated here that the 24 February incident constituted a trap for the Clinton administration that was set up by the extreme Republican right wing, along with the Cuban-American Foundation.

[Recio] According to some experts, the United States is apparently experimenting with so-called trial balloons of an ultra-rightist wing, which is now increasingly becoming a form of fascism.

[Jimenez] Undoubtedly this is fascism.

[Recio] The world is obviously puncturing and bursting these balloons as soon as they come into existence. What do you think of...?

[Jimenez, interrupting] Right now, a great contradiction exists. This does not take place during a confrontation between East and West, but rather takes place during a confrontation between North and South, because no socialist bloc exists.

[Recio] Certainly so.

[Jimenez] This is a great problem. In addition, the unipolar world we are talking about is unipolar with regard to its economic system and methods only. However, there is no one country that succeeds in concentrating around itself every power...

[Recio, interrupting] ...and every interest.

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[Jimenez, continuing] ...and every interest.

[Recio] By the way and speaking of interests, I have sometimes heard that, possibly during the next century, Europe and the United States will increasingly fight over our hemisphere, I mean, as a world market in the area of economic industry. You will either know or recall, as everybody else does, that the United States established long ago the Monroe Doctrine, which said outright that America is for Americans. Today, this is translated as America is for North Americans. Are we possibly observing foreshadows of the impracticality of the Monroe Doctrine?

[Jimenez] I believe that a fight over America clearly exists between Europe, the EU, and the United States regarding economic interests in this case. As evidence, we observe that the EU has signed different agreements with various Latin American countries, and it has established a close relationship with the Common Market of the South.

Meanwhile, the United States does the same thing through NAFTA; it attempts to sign an agreement with Chile, and so forth.

[Recio] We thank Eddie Jimenez for his straight talking right here about the Cuban truth on U.S. manipulations and maneuvers.

Cuba: Alarcon on ICAO Rejection of Condemnation of Cuba

PA2806215196 Havana Radio Rebelde Network in Spanish 1700 GMT 28 Jun 96

[From the "National Radio News" newscast]

[FBIS Translated Text] After lengthy analysis and discussion, the International Civil Aviation Organization [ICAO] Council has rejected a condemnation against Cuba. Ricardo Alarcon, president of the Cuban parliament, has given details to Radio Havana Cuba reporter Maria Elena Calderin:

[Begin recording] [Alarcon] After a long discussion in which a large group of delegations participated very actively and as they had done previously—that is, criticized the report and the procedure that was followed—they rejected the original, U.S. position. The discussion revolved around several, important points that have led to a document that is far from the one in the hands of the council the United States had proposed in the beginning.

The council has voiced its total rejection; it did not accept the idea of condemning our country. First, there was the original U.S. proposal condemning Cuba; that was not discussed. It was obvious that it would not pass, that a majority of the council would reject it. Then it tested another formula: to condemn the 24 February action, but they could not introduce this formula either. The third phase was when it tried to at least condemn the aircraft involved [words indistinct]. The only thing the council has accepted was a general condemnation against the use of arms against civilian aircraft.

[Calderin] Does this mean the U.S. resolution died with the approval by consensus of this ICAO document last night?

[Alarcon] Yes, it virtually evaporated in the air; virtually nothing of it remains. Mr. Pena, head of the U.S. delegation and transportation secretary, even said during the meeting this text is substantially different from the one he proposed, and this is true.

There were two parties in this controversy: the United States and Cuba. One party, Pena said at the meeting after unsuccessfully trying to pass a condemnation against Cuba, stated that the text was substantially different from the one he proposed. When the document was approved—I was the one who closed the discussion—(I was present) during the entire discussion of the text because we are observers of the council, and I saw how the members... [pauses] but there was no need for that anyway, because a group of countries defended the principles and presented very solid arguments. In the end, I said this solution was very good for us; in other words, we were virtually in agreement with them.

As I said, some rejected the condemnation against Cuba the United States suggested, but they also included a paragraph that is very clear and important, directed at the United States. It reaffirms the obligation of states to adopt appropriate measures to ban the deliberate use of civilian planes registered in that state for any purposes not compatible with the Chicago agreement. This paragraph preceded the one that condemned the use of force in general.

Furthermore, this ICAO resolution introduced a new proviso to the modus operandi of the organization that did not exist before. It urges member states to report to the council any violation of the Chicago agreement at any time. What does this mean? [Words indistinct] give the opportunity to countries that are the target of violations of the principles of civil aviation and that could be the victims of violations due to an improper use of civilian aviation, to report them before the council so it may act and prevent any incidents that could emerge from these kinds of violations.

When the resolution was approved, we were the first member state to make use of this article. I asked for permission to speak and said: You just approved this

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article, and thus, I would like to formally report to you about something we were unable to report previously regarding a threat, a possible violation of Cuban airspace by a so-called flotilla on 13 July.

Comrade Acevedo, president of the Cuban Civil Aeronautics Institute, sent a letter to the Council president on 13 June, one month prior to the provocation announced for July, asking that the council be advised about this matter. We were told there was no proviso at the ICAO for this purpose, but there is one since last night; this is why we formally explained what has been said in Miami and what is being said in the United States, according to U.S. official documents on such plans, and this was recorded as the first case, after approval of yesterday's resolution in which the council was advised about plans, intentions, projects, and possible violations we otherwise would not have been able to report in the past. [end recording]

Cuba: Clinton's Position on Helms-Burton Law Questioned

PA3006031796 Havana Radio Rebelde Network in Spanish 1700 GMT 28 Jun 96

[Commentary by Orlando Contreras; from the "National Radio News" program]

[FBIS Translated Text] Politics is loaded with diplomatic turns of phrase that send very clear signals; for example, when it is said that note has been taken of a report or a communique, a clear signal is being sent that the text is not being considered.

It is important to keep this in mind when considering the battle between Cuba and the United States at International Civil Aviation Organization [ICAO] headquarters, in Montreal.

Washington used closed door meetings between U.S. officials and members of the ICAO investigating commission, as well as other forms of pressure that I would prefer not to go into, to coerce the commission.

The commission accepted a U.S. document citing the testimony of a ship's crew, without trying to identify or question the anonymous crew members. The commission was not even able to establish the navigational position [coordenadas] of this vessel.

Unlike Cuba, the United States did not allow the commission to question witnesses to the 24 February event. It did not hand over taped evidence pertinent to the day of the incidents or evidence gathered from U.S. radar.

The technical commission's report was tainted, at least, by procedure, even though the facts showed it to be partial. This report — of which the ICAO Council simply took note — will be sent to UN Secretary General Butrus Butrus-Ghali so that he, in turn, may hand it to the Security Council. Washington has already said that it will seek condemnation against Cuba.

The ICAO Council — which comprises 33 countries — simply took note of the report, even after it was challenged by several of its members; neither did it accept the Yankee demand to condemn Cuba. Russia and the PRC, two permanent members of the Security Council, are among those challenging the report.

The United States did not get what it wanted from the ICAO, and I do not think that it will get what it wants from the Security Council.

The United States failed again today: It could not prevent those attending the G-7 summit in Lyons — even with Clinton present — from pledging not to adopt commercial and investment measures that violate WTO rules. The Helms-Burton law violates WTO rules.

Clinton signed the Helms-Burton law, yet seconded this resolution so as not to be left out in the G-7 cold.

Is he in favor or against?

Cuba: Alarcon Comments on ICAO Resolution

PA2906045195 Havana Tele Rebelde and Cubavision Networks in Spanish 0000 GMT 29 Jun 96

[From the "NTV" newscast]

[FBIS Translated Text] Ricardo Alarcon, president of the National Assembly of the People's Government, today arrived in New York from Montreal, where he participated in a session of the International Civil Aviation Organization [ICAO] Council. Before leaving for the United Nations, Alarcon spoke over the telephone with Radio Havana Cuba. These are some excerpts of this conversation. Alarcon said that, for the first time, the ICAO has created a new information mechanism to report to its Council on plans to violate and violations of the countries' airspace with an eye on preventing these violations. Alarcon also commented on ICAO's resolution.

[Begin Alarcon recording] This ICAO resolution introduces a new mechanism into the organization's mode of operation that did not exist before, which requires ICAO member states to report at any time to the Council any violation of the Chicago Agreement. What does this mean? As explained by legal advisers, the countries that are the victims of violations of civil aviation principles will be given the opportunity to report such violations to the Council, so it can act and prevent any incident that could result from such violations. When

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the resolution was approved, Cuba was the first member country that disagreed with it. [end recording]

In its most recent working session, the ICAO Council made a neutral decision by just taking note of the result of the report presented by the commission that investigated the 24 February events. The document was seriously criticized by more than one third of the ICAO member countries. Alarcon noted the participation of several delegations, which demanded a fair agreement in the ICAO Council.

[Begin Alarcon recording] There was a very active and distinct participation of several countries, the most prominent of all Third World countries, such as Asia and Africa, which played a very consistent role. These countries were joined by Russia, PRC, and Latin American countries in general. [end recording]

After exhausting sessions, the ICAO Council not only [words indistinct] but approved a resolution reaffirming the member countries' duty to impede the improper use of civilian planes registered in their territories. Alarcon said the report was fabricated by a union between the United States and the investigation commission.

[Begin Alarcon recording] [Words indistinct] and the admittance that this is to be applied on the other side as well. Two principles were approved: The nonuse of force against civilian planes and instructions to member countries not to permit the rules for use of civil aviation to be distorted, which is precisely what the United States has been doing. In other words, we participated in the debate on a more objective basis, and they lost the strongest instrument they intended to use in New York. Anyway, in New York they have their force, power, influence, and veto power, which they did not have here at ICAO. [end recording]

The ICAO document also states that every state enjoys full and exclusive sovereignty in the airspace over its territory, considering as part of this territory the ground waters and the territory close to these waters. Alarcon answers a question on the debated Helms-Burton law.

[Begin Alarcon recording] The main argument that President Clinton used to sign the law has been strongly criticized. The U.S. argument apparently has become weaker [words indistinct] used to justify this decision. The international community, at least so far, has not supported or joined the U.S. ruse in relation to the 24 February incident. [end recording]

Cuba: 'Sources' Say G-7 Asked Not To Discuss U.S. Law

PA3006035196 Havana Tele Rebelde and Cubavision Networks in Spanish 0000 GMT 29 Jun 96

[From the "NTV" newscast]

[FBIS Translated Text] G-7 heads of state and government repeated at the G-7 summit today that they are against unilateral trade measures. Sources close to the event have confirmed that no mention of the Helms-Burton law was made in the summit's economic declaration, upon a U.S. request to refrain from any specific mention of that law. Although the United States managed to get the leaders to honor its request, it could not prevent them from discussing the issue. Canada and the European members of this group refused to allow terrorism to overtake discussions on trade restrictions, including Washington's policy against Cuba, Libya, and Iran. A summit spokesman remarked:

[Begin unidentified speaker recording] The EU has always strongly objected to this extraterritorial and unilateral law. We continue to toe this line here, in Lyons. We hope that the text of the final communique condemns any extraterritorial law [words indistinct] we are confident that the text will be worded appropriately. [end recording]

Cuba: U.S. Official's 'Hasty' Call on ICAO Report Cited

PA3006033296 Havana Tele Rebelde and Cubavision Networks in Spanish 0000 GMT 29 Jun 96

[Report by Carlos Iglesias, in Montreal; from the "NTV" newscast]

[FBIS Translated Text] Washington's carefully laid plan regarding the two airplanes that violated Cuban airspace four months ago has just failed. The U.S. authorities spent a lot of time on this plan — ever since the investigation was requested on 6 March — in an effort to manipulate the report on this incident. They wanted to use a biased report to condemn Cuba at the ICAO [International Civil Aviation Organization] and then at the UN Security Council, which the United States pushed into ordering the investigation.

Under Secretary of State Peter Tarnoff went as far as to announce at the White House last week that the ICAO had condemned Cuba, even though the report had not yet reached the 33 Council members. It was a hasty move that suggested a ruling in favor of the United States.

Federico Pena, transportation secretary and head of the delegation, finally had to admit to the Council that the

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ruling did not even come close to what the United States had wanted.

Many Council members objected to the report, which weighed heavily in its decision to merely take note of it and not condemn Cuba.

Cuba: Castro Says 27 Jun ICAO Report 'Disgrace'

PA2906021796 Havana PRENSA LATINA in Spanish 0040 GMT 29 Jun 96

[By Viviana Guillen]

[FBIS Translated Text] Havana, 28 Jun (PL) — President Fidel Castro today said that the report that was discussed on 27 June at the International Civil Aviation Organization, ICAO, was a disgrace and praised the efforts that the Cuban delegation made to tell the truth to the world.

In statements to PRENSA LATINA, the Cuban president stressed that many people reacted in Montreal, Canada, where the ICAO headquarters are located, to the arguments the investigation commission presented on the incident that took place on 24 February, when two American planes were downed after having violated Cuban airspace.

Castro also pondered the actions carried out by the island's delegation before this Montreal forum, especially by Ricardo Alarcon (Parliament president heading the Cuban delegation attending the ICAO meetings), who, the president said, tore apart the document with all its tricks and lies.

The Cuban leader recalled that "now we have to keep discussing" this at the United Nations, where, in his opinion, a strong battle is being waged.

Castro attended a reception held by the Puerto Rican mission in Havana marking the 30th anniversary of its opening here.

Cuba: TV Carries Fidel Castro's Remarks on ICAO Ruling

PA3006030296 Havana Cubavision Network in Spanish 0000 GMT 30 Jun 96

[Report by Hilda Suarez; from the "NTV" newscast]

[FBIS Translated Text] Commander in Chief Fidel Castro, president of the Councils of State and Ministers, attended a reception at the Puerto Rican Independence Party [PIP] mission in Havana on 28 June in honor of the mission's 30th anniversary.

He discussed current issues of interest to Cuba.

Fidel spoke with the media on recent developments at International Civil Aviation Organization [ICAO] headqurters. He praised the Cuban delegation's efforts, particularly those of Ricardo Alarcon, president of the National Assembly of the People's Government:

[Begin recording] [Correspondent] What do you think about the victory?

[Castro] We have to call Alarcon to explain everything. [laughter]

[Correspondent] But your opinion about this victory?

[Castro] My opinion is that they waged a strong battle [words indistinct] Alarcon knows about that. He always [words indistinct] brilliant and the report [words indistinct] was a surprise.

[Correspondent] [Words indistinct]

[Castro] We must continue the discussion at the UN Security Council. Alarcon will be there [words indistinct] weak arguments, full of errors and deficiencies [words indistinct] a very discredited report and many people there rejected the arguments. Some of them were bought off, but the governments that [words indistinct] their people are not doing their job. They adopted measures and said: Not this one, or this one, or that one [words indistinct]. [end recording]

The Cuban president referred to the document that was approved at the ICAO and sent to the UN Security Council:

[Begin Castro recording, in progress] ...a strong battle and had the opportunity to tell the whole truth. Alarcon knows many people there. Alarcon is in New York. Alarcon is like a [words indistinct]. [end recording]

Fidel had pleasant chats during his visit to the permanent Puerto Rican mission with leaders of PIP and Puerto Rico's new independence movement and others struggling for the Puerto Rican cause:

[Begin recording] [Castro] It is very exciting, no?

[Unidentified speaker] [Words indistinct] love and affection the [word indistinct] is greater. [end recording]

The headquarters of the permanent Puerto Rican mission in Cuba in its 30 years of existence has served the independence movement of that friendly nation as a place to gather with representatives of Latin American movements to exchange views on events and 30 years of resistance to U.S. pressure:

[Begin Castro recording] I feel more [word indistinct] than ever, most confident that the Puerto Rican cause will prevail. I am even more confident than ever, 30 years later. [end recording]

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Cuba: Alarcon's Remarks on ICAO Inquiry Detailed

PA3006045096 Havana Radio Havana Cuba in Spanish 0153 GMT 30 Jun 96

[Interview with Ricardo Alarcon de Quesada, president of the National Assembly of the People's Government and head of the delegation to the International Civil Aviation Organization (ICAO), by correspondent Maria Elena Calderin; place and date not given; from the "Saturday Supplement" program — recorded]

[FBIS Translated Text] [Alarcon] We must consider the conditions under which the recent ICAO meeting took place [words indistinct] the muddled process, the drafting of the report, the other pieces of evidence contained in the report that was submitted [words indistinct] for example, the White House first released the report in Washington. They even presented it as the conclusions [words indistinct] I did not only say that they had the report but that it would be adopted at the ICAO Council. Then came the U.S. proposal, which is very clear. They had planned on having the Council close ranks and back the report, to make it theirs and praise it, while condemning Cuba in several paragraphs. The U.S. proposal condemned Cuba directly by name and in its vigor [words indistinct] the Security Council, etc.

After long debates with the active participation of a significant number of delegations, they criticized the report and the procedure followed just like before, and they rejected the original U.S. proposals. The debates centered around several important points, which led to the drafting of a proposal quite different from the document that the United States originally submitted to the Council. On the one hand, the idea of condemning our country was totally rejected. They tried to do this, I would say, in three different ways or phases. First came the initial U.S. proposal, asking for Cuba to be condemned. This was not debated. It was said that it would not pass unless accepted by a majority of the Council. They then tried another way, which was to condemn the 24 February incident. This attempt was also unsuccessful. The third attempt came when they tried to condemn, at least, the aspect of the planes involved in the 24 February incident [words indistinct] the Council, in general, only accepted to condemn the use of weapons against civilian planes.

[Calderin] Do you mean to say that the U.S. resolution died with last night's general approval of the Havana document?

[Alarcon] That is about the sum of it. It vanished into thin air. Almost nothing is left of that. Federico Pena, head of the U.S. delegation and transportation secretary, also said at the meeting that this draft was substantially different from the one proposed earlier, which is true.

Cuba: Alarcon on 'Slow' Analysis of ICAO Conclusions

PA3006235296 Havana PRENSA LATINA in Spanish 1108 GMT 30 Jun 96

[FBIS Translated Text] United Nations, 30 Jun (PL) — Ricardo Alarcon, president of Cuba's National Assembly of the People's Government, said here he is surprised at and concerned by the unexpectedly slow analysis of the International Civil Aviation Organization [ICAO] conclusions on the 24 February incident.

We traveled to New York with the idea of an emergency meeting of the Security Council, but what we found was a type of slow motion that contrasts with the urgency with which the United States had been working on the matter up to now, the chief of the Cuban delegation has told the ICAO Council.

In a meeting with a group of foreign reporters on 29 June, he said Washington exerted pressure for an immediate Security Council meeting, exercising the presidency it held that month, when the Cuban airspace was violated and the two pirate planes were shot down after numerous warnings were made on 24 February.

Alarcon said the United States, during a rushed session of the ICAO Council, also exerted pressure to immediately obtain an ICAO statement and to demand an ICAO investigation so it may obtain a document of condemnation.

Because the United States was unable to achieve that objective and because the ICAO only took note of the report and reaffirmed several principles, which Cuba fully supports, Washington plans were not met, and that is why they are stalling now. As proof, he noted the statements made by Peter Tarnoff, under secretary for political affairs and a member of the U.S. mission to the United Nations, and by U.S. Transportation Secretary Federico Pena about the steps being taken to get the Security Council to meet and demand the adoption of measures against Cuba. Alarcon said he had knowledge the Security Council's June agenda had included the topic.

Evidently, he said, something has changed. Something has not turned out the way they had planned, and a U.S. State Department spokesman is now only speaking about the possibility of such a meeting.

He said Egypt's permanent representative, Nabil Al-Araby, said during a meeting held today with the current

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president of the Security Council that the members of that UN body still did not have in their hands the ICAO report or the report on the investigation that was conducted by the commission created for this purpose. Alarcon said, however, the element of coercion the United States systematically employs is always present. It is also possible that they may be studying an alternative to view the matter at the Security Council, but this has its limits, as was proven during the ICAO meetings of 26 and 27 June.

It was a worthy example that made the progress of the U.S. pressures possible, and that makes me think the same will happen at the Security Council.

In this regard, he explained the criticisms and questions raised by the members of the ICAO (33 in total) to the inaccuracies and flaws of the report drafted by the investigation commission and the rejection of the draft resolution submitted by Washington.

Alarcon said not only Cuba during the debates argued the noncivilian nature of the downed planes, but countries of all continents also argued the same, as well as the status of the crew members, nonpassengers, who are described as illegals in the juridical language.

Alarcon said the counterrevolutionary organization Brothers to the Rescue systematically carries out these actions and even announces them beforehand.

He said the ICAO decision, once the technical aspects are examined, is contained in the approved resolution, which neither praises nor condemns the report but simply takes note of it. The only reference to Cuba has to do with the 24 February incident, because it took place inside its airspace and concerns the request to conduct an investigation.

Alarcon gave an overall view, in full detail, of the entire work the commission has done, the way Cuba offered all the evidence requested, and how some of that evidence was disregarded in the document while others were rejected.

He noted the U.S. delays in delivering the evidence, which was technical in nature and obtained at the time of the incident, that had been requested from them. Either you have it or not. The delays twice led to a postponement of the review. The evident intention was to postpone it, thereby forcing a meeting during the final days of the Security Council's term to get Cuba condemned.

He also referred to the flaws contained in the tape recordings presented by Washington, which the commission never had in its hands, of the dialogue between the Cuban pilots and their control tower. To listen to the tapes, the commission had to do so in the presence of two U.S. custodians. The U.S. authorities also refused to allow the commission to compare them with the voices of the individuals involved.

Alarcon said the United States even added words and interjections never used by Cubans in their language, such as the word "annoyed" [chingados].

I do not have the slightest doubt that the United States added and deleted words from those tapes.

He also noted the unusual fact of telling the commission that the radar information of the Key West station for 24 February was erased after 15 days, as routinely done, despite the event being so momentous and despite the official warning that the incident could take place that day.

Alarcon also referred to the fabricated version of the position of the three ships in order to justify the argument of the downing in international waters. One of the vessels exists only on paper, and commission members had no access to its crew members, he said.

Asked whether his explanations are aimed at accusing the ICAO, the president of the Cuban parliament said his denunciation is against the investigating team and the selective and manipulated report. He added, however, that is not only Cuba's opinion. The most varied and numerous observations are contained in the minutes of the council's debate and are available at the organization's offices in Montreal.

Alarcon added that Cuba is not mustering for a Security Council meeting once the ICAO study is over; instead, the pressures have been exerted by the United States, which now seems to have changed its mind in view of the outcome. Thus it patiently awaits the summon.

We disagree with the United States once again choosing the moment to prepare its plan, Alarcon said.

Alarcon showed journalists a video in which a U.S. Air Force lieutenant colonel is seen giving rescue training to members of Brothers to the Rescue as well reports from U.S. television stations on the pirate incursions over the Cuban capital.

Cuba: Raul Castro Urges Responsibility From Media

PA2906132596 Havana Radio Rebelde Network in Spanish 1155 GMT 26 Jun 96

[From the "Doing Radio" program — passages within quotation marks recorded]

[FBIS Translated Text] An unforgettable meeting, Radio Rebelde's 5th National Journalists Meeting, a [word in-

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distinct] that set guidelines for history. In each province, the telephone line no longer existed for me. Each journalist came to me as he is, a person. First, we were comrades, once everything was over, he was my friend. My friend, the one I help with his work — once again through the telephone line — everyday.

Our destination, Holguin, the Mayari lookout point. That is the vantage point from which a great part of the City of Parks can be seen. Our first activity was to visit Calixto Garcia Plaza, where the senior and youngest journalists laid a wreath, in the name of all the meeting's participants.

Upon our return the sessions began. Do not doubt it, they took place during the morning and the afternoon. Our director was very strict regarding this. After advising us about the agenda, the discussions, points of view, and clarifications began.

[First unidentified speaker] "I consider that an important element to bear in mind is the participation and cooperation received from all the province's journalists and media, in their work as correspondents for Radio Rebelde. Due to this, the province has a major presence during national programs."

[Second unidentified speaker] "I think each one of us — correspondents — should distribute the amount of time we have during the different programs, especially during "Doing Radio," a bit better. I think that [words indistinct] in any one area of the country when there are also important things happening in our area. I think that we should find equilibrium with the "Doing Radio" program, which is vital within the programing of our station and in that manner report everything that is happening in the country.

[Third unidentified speaker] "A little bit more fairness when statistics are reported. Why? Because there are times when the statistics at the main studio do not coincide with the statistics we have as correspondents. Of course, this bears influence when reporting. I think the directors should be made a bit more conscious of this, so they are a bit more fair and precise."

Our first night session was going to take place in the meeting room used by the provincial Communist Party of Cuba [PCC]. Among other guests was Jorge Luis Sierra, the youngest of the provincial first secretaries of the PCC. However, a [words indistinct] entered saying; good evening, colleagues. It was General of the Army Raul Castro, a Radio Rebelde contributor. He honored us with his presence at our meeting.

To me [words indistinct] or all of his comrades was a dream come through. Even though Raul told us all that he was there as a mere spectator, after the provincial first secretary of the Communist Party of Cuba briefed us on the province's economic and social situation, our Revolutionary Armed Forces minister could not refuse to answer some of our questions. That was when all of the participants received a magnificent lesson in how journalism should be created today.

[Raul Castro] "Little by little, it is important that a journalist become more responsible when he reports something. It should be profound, even if the article or report is shorter. When he says something — as we did with the letter — everything should be provable, even with photos. In that meeting we had the photos set up outside. Everything must be checked thoroughly. Every time someone makes a mistake due to acting without thinking, lack of time, or because of not going deeper into an issue — I am referring to journalists who shield themselves in bureaucracy — it is because their first principle is that problems cannot be reported. This happens, I know this very well. I know how that buzz [run-run] starts. It is not an easy battle."

Our director gave Radio Rebelde's response:

[Radio Rebelde director] Thanks to what we had done up to now, they sat down with us. They saw we had the possibility of moving forward; therefore, we were given the task. However, it is not because of what we are doing, it is because of what we can do. What enormous possibilities! I think that each one of us — in his own province — understands this, will be more profound, and, above all, do a sound job."

We also visited places of economic, social, and historic interest in the province. The combine factory and the beer factory. By the way, it tasted great! El Limoncito, no, not where lemons are planted, but, where today's mabises plant bananas. El Chorro de Manita, where there are remains of primitive Cubans. They also call it the Village of the Shining Sky. Guardalavaca, a tourist hub. We all enjoyed the beach, remember? We also visited the Mangos de Varagua Monument. Yes, I know it is located in Santiago de Cuba, but, right on the border with Holguin. After that we reached Viran. A place with history that we shared with Raul and Ramon Castro.

The people from Holguin and from other places speak of the Radio Rebelde Journalists meeting.

[Fourth unidentified speaker] "I, as a participant in this meeting, witnessed the social responsibility that all the comrades from Radio Rebelde have. The way they analyzed their work tells me that Radio Rebelde is going to continue to be a radio station that will always be in the forefront in the country. I repeat, it has the social responsibility of contributing to the solution of the country's problems."

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[Fifth unidentified speaker] "The importance transcends false regionalism, [words indistinct] importance to someone from Holguin or to the Radio Rebelde correspondent in Holguin Province. The presence here of the second chief of the Revolution during most of the session, the unequaled encouragement he has given to each journalist, correspondent, and to each member of this family since 24 February 1958 [words indistinct] those who have continued with the legacy of the ones who made it possible in Sierra Maestra, now are multiplied."

They say farewells are sad, but not in this case. This was the beginning of something new. Molto [not further identified], deputy director of "Doing Radio," stated:

[Molto] "There is always a first time for everything important in life. This has been our first time. In any guerrilla-type combat, there are always unforgettable moments. This has been one of those moments, just as the Battle of Ubero was for the rebel army. This means that as of yesterday we are no longer a guerrilla force, we are now a regular army. An army from which more professionalism and proficiency is demanded."

We left in the bus, with the warmth from the ambience, from our friends in Holguin, and from our own hearts.

It was a learning process, an experience, it was friendship, and love, which is why it will always remain an unforgettable meeting.

Cuba: Correction—Alarcon Holds News Conference on ICAO

PA2706185596 Havana Radio Rebelde Network in Spanish 1405 GMT 24 Jun 96

[Corrected version of news conference by Ricardo Alarcon, president of the National Assembly of the People's Government, with unidentified moderator and local and foreign reporters, at the International Press Center in Havana; originally filed as PA2606011996 and published on pages 9-20 of the 26 June Latin America DAILY REPORT; rewording, supplying omitted passages, and clearing indistinct words throughout — live]

[FBIS Translated Excerpt] [Alarcon] Good morning. I usually try to give brief introductions so that we can have more time to answer your questions. This time, however, I ask you to forgive me if my introduction takes somewhat longer than usual. However, I believe this is indispensable to be able to explain some aspects which I believe require an appropriate presentation.

First, let's begin with the background information. On 6 March 1996, the ICAO [International Civil Aviation Organization] Council decided to task its secretariat with conducting an investigation into the 24 February incident and all its aspects, considering all the factors that led to it. This report was to be submitted to the ICAO Council for discussion 60 days later, that is, on 6 May 1996.

On 6 May 1996, the ICAO Council held a meeting in Montreal and received this brief report, [words indistinct] was a brief one. The meeting held by the ICAO Council was considered a meeting behind closed doors. The report contained, exclusively, a description of what the investigative commission had done in two months.

In other words, back then, this report did not include the results of the investigation, but only described what the investigative commission had done or had tried to do during its mandate. This report basically outlined what the commission did in Cuba and the United States.

In Paragraph 3.11, the report describes the actions taken by the investigative commission in Cuba, and it indicates the following: The commission visited Cuba from 24 to 31 March 1996. This paragraph goes on: Up to 30 March 1996, the Cuban authorities had fully complied with all the requests made by the commission regarding interviews, statements, civilian and military data, documents and letters, as well as records and transcripts of the communications.

Subsequently, the commission outlines a list of the things it received in the Republic of Cuba.

I will read a few: Interviews and statements by the civilian and military personnel involved in the incident; interviews and statements by the witnesses; and records and transcripts of communications. The report goes on to list details about the aircraft, the pertinent records, procedures, diagrams, letters, and so on and so forth.

In Paragraph 3.2, the United States points out that the commission visited the United States on two occasions: The city of Washington from 2 through 4 April, and the city of Miami from 14 through 19 April. The ICAO team was provided with the following:

An interview — in the singular — with the pilot of the third aircraft; details on the observations and actions of the Coast Guard and the Air Force; details on the surface vessels that were in the area; details, etc., etc., and thus it continues until another paragraph, that only exists for the U.S. visit, proceeds to describe what the commission has not received, what the commission expects to receive in order to complete its report.

Among other things: There is radar data on the incident ...at was registered by the Caribbean and Southern Florida Regional Operations Center. There is a (?picture) of the radar information on the incident registered

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by the [words indistinct] in Miami, and the readings of the Air Force in Florida; radar information on the incident from the International Air Traffic Control of the Navy at Key West; radar information on an aircraft (?Orion P-3); radar information on the incident registered in another U.S. unit, etc.

As you can see, one person was interviewed in the United States. They interviewed one witness: the pilot of the plane that returned to Opa Locka, that is, the pilot of the 2506 plane, Mr. Jose Basulto.

Regarding the other elements, they never use the verb to interview in this report or in the more lengthy one that we will comment on later on. It is in the final one that we first see this with regard to the Republic of Cuba. It is only in Cuba where they interviewed persons; in the United States they received information supplied by the officials that they mention in this report.

Take notice that in the Republic of Cuba they received — and I again read the pertinent information — In the Republic of Cuba, they received the registrations and transcripts of communications. None of that is mentioned in the part referent to the United States, because they had not received any transcript of any radio communications.

In view of that situation, the ICAO Council decided to approve the proposal contained in this report, giving an additional month in order to complete the information. It decided it would meet again in the first week of June, at which time the report would be completed. The first week of June went by, and no report was presented, as we all know.

Finally, on the following Wednesday — which is exactly the last workday of the ICAO Council — the report was presented for discussion.

Between that date in April when they concluded t eir mission in Miami — 19 April — and the date on w ich the report finally appeared, other things occurred. This information is found in this document, the famous final document. I do not know if this is meant as a joke, or why this was done, but each one is accompanied by this little piece of paper. I want to point out that the dissemination is restricted specifically to the representatives of the ICAO Council. [words indistinct] there are multiple references to this report that do not come from the ICAO Council, but from other means, all of them (?linked) to the United States of America.

[Passage omitted on 6 minutes of Alarcon providing chronological reference to meetings between U.S. and ICAO delegations in Montreal] There are ten questions. ten questions, of the countless that could be posed to the investigating commission.

1. Why did the United States refrain from delivering all the radar and radio communications information they claim to have had, on time to prepare the 6 May report?

2. Why did they delay the delivery of the information thus forcing the ICAO to reschedule the dates when the report was to be evaluated?

3. Why have they never delivered, they refrained from doing it before and have not done it to date, the original tape recordings that included alleged radio transmissions between Cuban intercepting aircraft and the San Antonio Air Base that the United States claims to have?

4. Why has the investigating commission not interviewed, as they did in Cuba last May, those individuals in the United States who allegedly appear in the radio transmissions? As the commission acknowledged in its May report, in Cuba they not only received a transcript of the radio communications, but they also received the original tapes of the transmission and the equipment used to tape the events so that they could, as they were indeed able to do, make sure that no attempts had been made to tamper with the tapes. In addition to that, they were able to spend long hours interviewing personnel at the Air Force base who were responsible for the communications, and the pilots who were at the other side of radio communications. The commission was able to examine the voices, as well as clarify any doubts, etc., etc. Nothing similar to this has been done regarding this allegedly new tape recording which is being presented to the media. Supposedly this tape recording, which no one has seen, is in the hands of the United States, but the commission members were only allowed the privilege of listening to the cassette which they were not allowed to keep and not even given a copy of. They were not even given a copy of the original recording! Of course, no one from the investigation commission interviewed anyone from the U.S. side involved in the taping of this alleged recording. Neither did the commission come to Cuba and request Cuba to carry out the same inspection it had done in March to repeat it once again in May at a time when the United States claimed that it had recordings of radio communications with other voices and expressions.

5. Why were the alleged main witnesses of events not questioned or interviewed at the site of the events? I repeat, the report states that the commission only interviewed Mr. Basulto. However, this is a report that was drafted in such bad faith that it alludes, on numerous occasions, to what they describe as passengers of the ship Majesty of the Sea, or the crew of an alleged fishing boat that was in the area, a U.S. ship by the way, that claims that the crew witnessed and heard when...

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[pauses] In other words, everyone heard and saw the same thing, yet the commission failed to question even one witness. At least in these more than 200 pages of information, not once is there reference to a meeting with any witness. There is reference by the commission that information was received in May with respect to some vessels. On the other hand, in Cuba's case they point out that information was received and witnesses were interviewed. In the report [words indistinct] three ships, one was a Norwegian tourism cruise, an alleged fishing vessel which they claim was fishing tuna outside the port of Havana. Our fishermen who routinely fish in the area will be able to reflect on this ironic piece of information provided by our commission friends. In any event, we have an alleged tuna fishing boat in Cuban waters. In addition, we also have a sailing boat whose captain was operating in territory of the Cuban Republic even though he is not Cuban. The commission also received information from this ship. In addition, the commission members were able to extensively interview these people. All of this is mentioned in the report. However, I repeat, the report never once mentions that the commission ever met with one single crew member or passenger of any of the ships. Yet the report reiterates allegations which were evidently delivered by the U.S. authorities with respect to alleged information provided by those alleged witnesses.

6. Why was the report postponed twice? Why the commission, instead of meeting the 6 May deadline or the 6 June deadline, was on 6 May and on 6 June very much behind closed doors somewhere at the ICAO building, meeting not with the ICAO Council but with some unidentified U.S. officials to evidently prepare, this is what I have to think, the real report.

7. Why did they omit three entire points from the report they had to present? Let me explain this a bit further. The Chicago Convention has several annexes. One of them, Annex 13, deals with investigations. This annex clearly explains what an ICAO investigation process consists of. This annex has an appendix to establish how reports on ICAO investigations are prepared.

This investigations pattern has been followed by the ICAO in all the investigations it has carried out. It did so when it investigated the case of a South Korean plane [words indistinct]. It did so when it investigated the downing by U.S. military units of an Iranian civilian plane, and it did so with this report, which follows step by step the outline of this appendix, which is the same for everybody. The first point of the first chapter is called Information on Events. Then events are related: the details of the flights, harm to persons, damage to the airplanes, other damages, information on the airplanes, etc.

The second chapter is the so-called analysis; the third chapter is on definitions; and the fourth chapter is recommendations.

The information on Chapter 1 follows step by step the guidelines listed in Annex 13 of the Chicago Convention until it gets to a point that evidently some persons did not find gratifying to introduce.

Everything goes fine up to paragraph, I beg your pardon, not paragraph but Epigraph No. 14 [epigrafe 14]. But there is Epigraph 15 which deals with investigations that have been made. There was no investigation on the U.S. side and the investigations made by the Cuban side, which were supplied to the ICAO gentlemen, were completely omitted in a disrespectful and uncourteous way, I would say. For example, the research made by the Oceanography Department of the Cuban Academy of Science which in those February days had a ship in the waters north of Havana studying currents and other maritime matters, was ignored and this information could be very useful to establish data that could be related to the investigations on the currents in the area on that date. The same is true for investigations made in Havana with regard to the debris of the lightplanes found in Cuban waters.

Since the U.S. side did not present any investigation, the ICAO commission simply decided not to consider this aspect of the Chicago Convention's appendix.

Another [words indistinct] is one to which the Chicago Convention attributes much importance. It is called Basic and Administrative Information. That is, according to the ICAO, data must be provided on the entity responsible for the flight. The report on the South Korean airplane incident explains the characteristics of the airline, the flights it had made in that area, the route between New York, Anchorage, and Seoul, the area of the incident over the Soviet Union; the same is done with the Iran Air. But in this case there is no single word in the report about the entity Brothers to the Rescue, which is responsible for the flight, and there is nothing said about previous flights, its structure, financing, etc.

These persons were not [words indistinct] to the ICAO people, but they were using a Miami-style language, saying that they were a voluntary group that devotes itself to saving people, to humanitarian activities, etc., etc.

It omits [words indistinct] what is described in Annex 13 as additional information, and any other relevant, pertinent information related to the incident, which is where, we felt, they should have made a history of the previous flights by the Brothers to the Rescue organization. Those are the only three that they do

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not comply with, thus abandoning the long-established ICAO practice and without any explanation given until now by them.

8. Why if they waited twice, if they postponed it twice, and they have taken so long to prepare the much-talked-about report, they present it hastily to the Council on the last day of activities of the current period of sessions?

9. Why have they waited for the last minute to give the members of the Council a document already circulating in Miami and Washington, and around the world? Why, if they control the main offices of some of the enterprises you represent, they wait until the last minute to deliver it to the members of the Council, who supposedly [words indistinct] and must give their opinion on it?

In addition to that, why did Professor Tarnoff call a news conference at the White House to further insult the members of the ICAO Council by referring to a document they have still not received; a document that has been withheld from the member-states of the ICAO Council, while they have it? Moreover, they already have the conclusions and the final results. In other words, they have given the final verdict in advance on a report still unknown to the rest, and before it is officially presented to the members of the Council. This action, in addition to gratuitously insulting some 30 sovereign states, shows the desire to create a [word indistinct] internationally precisely to give the impression that the meeting is unnecessary. What is the use of discussing a report that was concealed from them? Why debate it or examine it if the world has already been told not only that the report says this or that, but that the ICAO has assumed a specific position. This [words indistinct] announce it to the members of a council who are treated like elementary school students, that what they have to do Wednesday is what Tarnoff announced last Thursday, that they must make a decision that must say this and that.

10. Why did they spend most of the commission's time in secret meetings with U.S. officials? If they want the ICAO Council to resolve in one day, one day, everything contained in a document which has more than 200 pages, the most elemental courtesy requires that the members of the ICAO Council should at least have similar opportunities to the ones given to the state responsible for the incident, in other words, the United States of America. If after 6 May these gentlemen dedicated, as they have publicly admitted, seven long working days to meet with top U.S. Government officials in Montreal, including the two opportunities when they should have met with the ICAO Council, the least a member-state of the ICAO Council that respects itself should demand is half that time. They should also receive an explanation as to what the hell they did during so many hours of meetings with U.S. representatives, in addition to eight days in the United States during which, I repeat, according to them they also met with government officials, except for the only interview with a private citizen presented as witness, Jose Basulto. The rest were working sessions, which add up to 15 days in total they dedicated to the U.S. side.

Finally, my last question. Included among so many of the document's omissions, why doesn't the ICAO report the evidence that the investigating committee has regarding the ties between the organization know as Brothers to the Rescue, the U.S. Armed Forces, and U.S. civilian authorities?

In addition to what I have already described, this report also was drafted in a clearly deceitful manner in an attempt to sway the reader's opinion in favor of the version agreed upon by the investigators and the U.S. side. Every time it indicates any information that would confirm or agree with the Cuban position, the report purposively includes the following phrase after the stated information: according to Cuban Authorities.

Sometimes, the report even refers to actions regarding which the United States officials have said the same thing we said, that is, we could also use the U.S. part as a source. In those cases, the ICAO presents the facts as if there existed a controversy between the Cuban authorities and what they objectively would have found. This occurs throughout the entire report.

I don't want to tire you with this. Let us take as example the first page, and you can apply this to all the pages of document, the first page is written in a way which reminds one of an amateur writer who has the hopes of becoming a novelist, or a novice reporter. This is the beginning of the first paragraph: Pilots and followers of Brothers to the Rescue met in the hangar of Opa Locka Airport on the morning of 24 February. It describes that the pilots received their flight plan to fly that morning. These flight plans belonged to six aircraft that were going to carry out rescue operations of Cuban rafters. It continues to describe the aircraft, etc.

The following paragraph continues: Due to previous commitments of some of the Brothers to the Rescue pilots, the flight scheduled for 1015 hours did not leave on schedule. The pilots returned to the hangar before 1100 hours and decided to have lunch before beginning their flight.

Observe that up to this point it is like a description of proven, known facts. It does not say: according to Brothers to the Rescue, they arrived at such and such a

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time, according to them they had another commitment, or according to them they decided to have lunch. Everything is reported as fact. It is a shame they did not include the lunch menu, or that they did not confess that one of them was eating with the Brothers to the Rescue, or that an OAS member was with them. According to this, they had another commitment and they went to lunch.

Observe how the line which immediately follows begins: According to Cuban authorities, Cuban radar detected three unidentified aircraft south of the 24th and 25th parallel. When it begins to talk about that Cuban report of that morning, the report makes the observation that this is the version according to the Cuban authorities. The other part, regarding the arrival to the hangar, the description of the flights, that some of them had previous commitments, that they decided to have lunch, is given as proven, verified facts, as if Mr. (?Froster) has been having lunch with Mr. Basulto in Opa Locka this morning, something we were unawares of until this moment.

Even more interesting is another phrase at the end of the page which refers to the morning flights. At 1040 hours the (?ATC) of Havana questioned the (?RTCC) regarding the presence of unidentified aircraft, etc. In less than 8 minutes, the (?ATC) in Miami replied to Havana the following, which is registered in the two tapes presented: We have checked with the Coast Guard and with everyone we know, and no one is aware of any aircraft belonging to them being present in the area.

This is not counting the language, the distortion of the language, to which I referred earlier. Since I am on this page, I will not conduct this exercise in all the pages, since I have no plans to abuse you in this manner, I will stop on the first page, but since it was on page one, I wanted to point this out. In less than eight minutes, the Miami authorities said, they were able to check with the Coast Guard, and with the people we know, but they did not say, and this is something we must acknowledge, there was no violation, that there was no aircraft over Havana at that time, they said that nobody knows of any aircraft — that belongs to me — and since we do not know who the Miami official queried, we do not know exactly how many and which ones can be excluded from that category.

Based on that, however, the commission wrapped up the topic of the morning flights because these were not data provided by the commissioners' partners [contertulios] but by government authorities and, therefore, did not require greater analysis. Well, I was telling you that things like this one can be found throughout the report. This selective language makes them ignore, for instance, Cuba's ocean currents investigations. At another time, however, in the conclusions they shamelessly subscribed to Mr. Basulto's theory, whereby he dropped a large number of flyers at an altitude of hundreds of meters, at a distance of over 12 miles, and the wind, as if the wind was also a member of the Brothers to the Rescue, took charge of distributing them all over Cuba.

What scientific verification did the commission make on this matter? How did it corroborate that fact, the possibility that the wind at such distance could have circulated flyers in the air? Nowhere of course, but the conclusions accepted Mr. Basulto's explanation, even though the explanation Mr. Basulto is providing now differs from the one he gave previously. At that time, he said he had flown over Havana. Cuban authorities are not saying this; the U.S. authorities said it last March in a document, which I have discussed with you on other occasions, entitled Order to Cease and Desist that it issued and addressed to Basulto regarding his previous violations.

This means that although they had official information indicating that on that day there were flights over Cuban territory, although they did not make any inquiry to verify if it is possible for the wind to shower the entire Havana Province with flyers, they accepted Basulto's thesis and did not even say according to him or that person. It is presented as a fact, as a conclusion. This is one of the many examples of the report's bias.

I said, however, in the last question: Why didn't the investigators mention the evidence they have on the ties between the Brothers to the Rescue and the U.S. Armed Forces and the U.S. government? The document mentioned this on just one occasion; when it mentioned an interview held in Havana with Mr. Roque, Juan Pablo Roque. Juan Pablo Roque explained a little about this, yet they referred to his statement or limited themselves to what Juan Pablo Roque said. Why didn't they mention that they have film material almost an hour long, that I handed to them here, two blocks away from here at the Cuban Civil Aeronautics Building. I personally handed it over to Mr. (?Froster), after showing him on a television set the almost one-hour-long film. What was it about? It was about the activities, the training given by U.S. Air Force officers, headed by an Air Force colonel, to Brothers to the Rescue pilots. They have it. They have the whole thing. I repeat it is almost an hour long. This is not a transcript. This is not a version like the North Americans use. It is a live, direct, and real film. By the way, Mr. Roque did not make the film. He appears on the film on several occasions, together with Mr. Basulto and the Yankee officers.

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Why, do they not mention, in addition to that, other information we provided them with [illegible] for which the investigators should have found room in those 200... [pauses], let me count, I think the report consists of 240 pages. First, we are not talking about civilian aviation in this case. That is the starting point, which this commission should have mentioned, heeding, first of all, the definition given by the ICAO Secretariat that an airplane is not defined as a civilian one by its design or characteristics but by the mission it performs, the mission it carries out. In this case, if they had taken the trouble not to omit but to cover the points I have explained to you, which they omitted in the format in order to prepare the report, they would have had to mention the background of this organization, which evidently characterizes it as a group devoted to the improper use of aviation, or the abuse of civil aviation, an aspect that can be found exactly at the start of the preamble of the Chicago Convention, since the preamble contains a definition to put an end to or avoid these kinds of dangers, which constitutes the ICAO's chief mission.

As for the mission these aircraft performed, perform, they have no relation with civil aviation. There is more. Anybody who knows a little about aviation and can look this up in this manual, which is a little like an encyclopedia of international aviation, I mean Jane's All The World's Aircraft, will see that the Cessna 337 is described as an aircraft that can be used for civilian purposes, and then it is called a Cessna 337, or that can be used, as it says here, as an O2 airplane for military purposes. The book also mentions how it was used in Vietnam, El Salvador, and elsewhere. In this Air Force manual, called Military Aircraft, photograph 1.22 shows an O2 airplane, exactly like Basulto's airplane, exactly the same, it is a Cessna 337, but the Pentagon gives it the military name of O2, which is its design classification.

Therefore, in this case, the mission they were carrying out is irrelevant and contrary to civil aviation. In addition they are using — could it be a coincidence — an aircraft designed for military operations. Besides, from the outset of this group's existence, some of their cohorts in Miami, who were led by Mrs. Ileana Ros-Lehtinen carried out an intense campaign to seek... [pauses] I have numerous clippings. This lady speaks quite a bit, and [words indistinct] during those months in their efforts to request from the U.S. Air Force to provide Brothers to the Rescue with some Cesna 337's. Because the armed conflict in El Salvador was over, these planes were available on some U.S. landing strips. You will recall that I told you that the only reference to this was given by Roque, and he explained how he himself had flown in aircraft that still had the U.S. Air Force identification labels. This is the only reference that appears in this...[pauses] even though they have others. They have others like this one. This is not a pilot born in Cuba; this is a full-fledged North American, Mr. David Lawrence, Jr. an editor of THE MIAMI HERALD.

A few months after Mrs. Ros-Lehtinen unleashed the campaign searching for the military planes for Brothers to the Rescue, this man — an editor of a U.S. newspaper — traveled, himself, in one of those planes. As a good journalist, he included some photos with his report. Here is the photo of the plane, the M-2432S, and it clearly shows, on the tip of the wing, four little letters, U.S.A.F.

In other words, this is not a matter of looking for Roque and looking for any additional means to verify something that the U.S. press itself confirms and with very impartial witnesses. The press not only confirms that it was possible to fly, even in planes that belonged to the Air Force, but that in addition they still [clearing indistinct words] had those letters painted...[pauses] and we have other photos, some of them in color, and all of them are in the hands of the investigations commission. All of them came before but she preferred to use Roque's testimony in an attempt to reduce the possibilities of any arguments.

Regarding what I said about links with the government, I will simply refer to the 8 May Senate hearings, at a time when the Senate's Foreign Relations Committee received Dennis Hayes, former chief of the State Department's Cuban Affairs Office, whose appointment as ambassador to Suriname, I believe, is still pending confirmation. I am not sure if he has been confirmed yet. Senator Christopher Dodd, who as you know is minority leader in the Senate and president of the Democratic Party, interrogated Mr. Hayes specifically regarding one point. Mr. Dodd said he understood that Mr. Hayes, as chief of the State Department's Cuban Affairs Office had flown in planes belonging to Brothers to the Rescue, that he had been a passenger in one of their flights. Mr. Hayes specifically and explicitly recognized that this was true, that he had done that. [Alarcon reads from document in English: Yes sir, I believe it was in late 1983 and 1984. My predecessor had also flown with them under similar circumstances.] In other words, the strongest argument Mr. Hayes found was that he did what was customary there, what his predecessors had done in the Cuban Affairs Office.

Starting with Dennis Hayes' little flight to the embraces in Opa Locka with U.S. colonels who gave them equipment and training... [pauses] Obviously, this is all in the U.S. senator's notes.

Regarding the next point, I repeat, the investigating commission has the information. It is quite obvious that the characteristics of those planes and their missions

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have nothing to do with civil aviation and instead have a lot to do with violations to civil aviation regulations, and that the government of the United States of America has been and is still responsible for all that.

In conclusion, I want to say that something has called my attention, and that is the hastiness with which the United States announced its version of the conclusion of a meeting — a meeting that has not yet started, because it will start the day after tomorrow — as well as its efforts to anticipate any objective judgment that could be made by the people after learning of a report — a report that has not yet been distributed.

Another thing that has called my attention is the very high level of irresponsibility voiced by this official who did not express his own views. Evidently, he was carrying out orders from superiors. The conference was not held at the Department, but at the White House. As some newsmen have pointed out about that conference, the U.S. attitude and the way of presenting the facts can be interpreted as a show of support for the violators of international law, as a show of support for those who, before and now, continue to announce their plans to disregard the U.S. regulations and international laws. All of this is being done on the eve of an ICAO meeting whose purpose — according to the Chicago Convention — is to prevent the repetition of such incidents. It seems to me that this is an exceptional show of irresponsibility and adventurism, to say the least. I think it is time to finish.

[Moderator] Thank you very much, Comrade Alarcon. I have several requests from journalists who wish to ask you questions. We will begin with Nidia Diaz of GRANMA.

[Diaz] [Words indistinct] not valid. That is my first question. Second, what procedure would be followed once the ICAO Council assumes a position regarding the report? Will it be sent to the [UN] Security Council with a recommendation? Will it be sent to the Security Council for its analysis and decision? Within those decisions, what sanctions could be implemented if the report presented by the investigating commission is assumed as real?

[Alarcon] [Words indistinct]

[Diaz] [Words indistinct] The United States is a member of the ICAO Council, while Cuba is not. In the meeting to begin tomorrow, will Cuba at least have a voice; not a vote, but at least a voice? What are the expectations of the Cuban delegation from that meeting? [passage omitted with Alarcon explaining that Cuba is not a member of the Council but has a right to participate as an observer and guest, and hopes to be allowed to speak]

[Alarcon continues] Cuba has made a proposal to the Council. We are not members, we cannot vote, but we can present ideas. Specifically, what we say is that the report contains inaccurate information, lies, gaps, and unconfirmed facts. We have used diplomatic language; we could say other things. We are not asking them to throw it in the wastebasket. We have proposed that the Council ask the investigating team to continue trying to verify, confirm, and complete the information, and that the Council be summoned to meet again when the investigating commission completes its work, and with enough time to allow the members of the Council to study the document and adequately examine it. In essence, that is what we have proposed. We have proposed an alternative to the hastiness, to the — I will use a Cubanism — to the pushing around [empujadera] of sovereign states who are being pushed and pressured into reading a report in a few hours and making a decision in one day. Of course, they are supposed to reach a decision following the guidelines that their big brother in Washington has given them. I do not know what they will do. I do not know. [passage omitted on previous investigations conducted by the ICAO, including the downing of an Iranian plane in the Persian Gulf by the United States]

[Moderator] (Francis Kerry) of REUTER.

[(Francis Kerry)] What changes did Cuba want in the final report? Do you think that the ICAO Council may change the report on Wednesday or some time later?

[Alarcon] I could not answer this exactly. The Council cannot modify the results of meetings they held in Havana with pilots and air traffic controllers. [passage omitted on Alarcon criticizing investigators for deciding that the position of the ship Majesty of the Seas and remarks made by alleged witnesses aboard the ship are the most reliable factors to determine location of incident].

They must acknowledge that they have not been able to prove where this ship was. The reason why they have been unable to do so is that they have entirely relied on the U.S. version, which manipulated a recording by adding things that were not there, while deleting others that were there. I must clarify this point because many of you, many media organizations are arguing, that the difference is, and this is not your fault because they are citing the report, that the Cuban version does not include things that are in the U.S. version. The reverse is also true.

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However, we must stress that there is a difference: They have Cuba's original recording and the device used to record it. They analyzed it and should note that they cannot find any alteration or tampering with this recording, nothing that implies some type of manipulation. In addition, they have had this recording since March, and as of May, as though they were first-grade students, U.S. officials have sat them down, on two occasions, to listen to a recording, which the U.S. officials argue is theirs and have been handed some transcripts, which they argue are the transcripts of what they recorded. I urge those persons who have the time, whenever they can, to read this voluminous report. I particularly urge them to read, with special interest, the infamous transcripts. Many pages are presented in this manner.

Now, no one can tell if the signal was transmitted from the San Antonio command post to the Cuban MiG-23 or vice versa. Here, the Cuban text has not only been provided by Cuba, but also by the text of the original recording they have, and over here, we have the U.S. version. They contend, in the legend disclosed by the United States, that Cuba deleted parts of this transcript. They deleted very interesting things themselves to be able to introduce, as they did, distorting elements. I really urge you to read the entire text. The Cuban version or the original recording is logical and consistent and it begins at the beginning, when the plane begins to overfly. As you can see that portion is blank in the U.S. version. They have to make space to include other things. According to the U.S. recording, the plane was suddenly overflying, north of Playa Baracoa. They do not have any background details on when the aircraft began to move once it left San Antonio. This information is missing in the U.S. version.

More amusing, though, is the fact that at the end, at the end of the tape, or the tapes because it is long... [pauses] the Cuban recording ends with the Cuban transcripts [preceding word in English], but the U.S. recordings continue. I find it very strange that the Cuban recordings end shortly after the San Antonio base orders the pilot to suspend his mission, to stop the mission, to end the mission. This is in the U.S. recording: Suspend the mission. Message clearly received, I am flying at such and such altitude and such and such distance. That's where the Cuban recording ends. After the order is given to suspend the mission, which appears on the U.S. recording — they forgot to erase that — comes a long story. You can see that there is nothing more on the Cuban recording, but the U.S. recording goes on and on and on. In other words, according to their version, no one knows when or how the MiG took off, and we could even conclude that it has not yet landed. It is still flying.

Who altered the tape? Who? What text? It's illogical. In addition, I repeat, why don't they deliver the tapes? Why have they not delivered them in three months? Why didn't they even give them the cassette with the recording that the United States claims it has? Why was no one interviewed? Interviewing the people, who according to the U.S. version made the recordings, would be an elementary verification. Why didn't they do the same thing that they did in Havana in March. Since there are contradictions — the pilot and the official in San Antonio are cited — why didn't they do in May or June the same thing that they did here in Havana in March? Why not interview those people and compare their voices with the recording and confirm with them where they were and what they said? In sum, why didn't they conduct the same analysis as they did in Cuba? After they did all that here, I am afraid that, during those long meetings held in Montreal behind closed doors, what has happened is that the report has been prepared like a custom-made suit. In this case, however, the client himself uses the measuring tape and gives the measurements to the tailor.

[Moderator] [Words indistinct]

[Reporter] Can we conclude that Cuba does not accept any of the conclusions or aspects of this report? I would also like to ask you — even though you have given us a lot of details, but we are still at a disadvantage — could you give us a copy of the report? As you said it is no longer...

[Alarcon, interrupting] I will ask all of you to give me your opinion democratically. Let's see. What would you do if you were in my place? We are not members of the ICAO Council, but we received a copy as an interested party. As I said, the ICAO Council met Friday and decided that the report would still be secret. Copies were distributed to the members of the Council with this little phrase: Circulation restricted to representatives of the Council of the ICAO. [Alarcon reads the warning in English, French and then in Spanish] The same warning is given in Russian, I suppose, and then in Arabic, so there will be no doubts. The teacher tells his students: Don't give this to anyone, as the boss has already given it to those he believes should get it, in order to manipulate the information. I think that the information that my friend [journalist] (Fletcher) has provided is entirely correct, and that everyone should know the contents of this report. I will... [pauses] This is what we'll do. If you don't tell [no me echan para alante] as Cubans say, because as you know, this is a very special situation; this is a secret, a big international secret. Since I am not a member of the ICAO Council, I will reach an agreement with you. I will give you a copy, and you

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can reproduce it and distribute it to others. I have a problem, though. The document is in English.

[Passage omitted on the language employed to draft the report]

[(Fletcher)] [Words indistinct] pardon me, we can say, we can surmise from your words, that Cuba does not accept any of the report's conclusions as it now stands. That is my impression. None of the conclusions. It does not accept any of the conclusions, neither on the airplanes' debris, nor on the circumstances, although you said there are omissions in the circumstances, as I understand it, on all the circumstances surrounding it. Can we say that Cuba does not accept any of the conclusions..

[Alarcon, interrupting] In no way can I be against this affirmation on paragraph 311 of the conclusions that reads: the aircraft, followed by the three names, deviated from the route indicated in their flight plan. It is obvious. It is evident they followed another route. I will not say this conclusion is erroneous. What I do reject, however, is the whole manipulation surrounding the report. I reject the use of a source whose location they have not been able to corroborate, with whose witnesses the investigators have not talked, in sum, that a version based on that source was accepted in order to identify the place of the incident, although there are other sources or indications. I mean, the original recording Cuba submitted on day one clearly locates that ship in another place. Why should I accept that the ship was where they claimed it was? Or that it was not moved to the north, and all the coordinates moved? Since they have no way of proving it, despite all the work they have done, they reached the extreme of doctoring their recordings of our radio communications in order to have the pilot and the San Antonio Air Base talking about the ship and locating it farther away.

All additional U.S. elements that appeared refer to these ships, and why? To put them outside, to move them to the north. In the original recording, in the doctored recording also since they could not eliminate this, there are references to a ship made by our pilot when he sees the ship and sees it very close to Playa Baracoa. The helicopters would head to that direction later, as well as our Coast Guards to find the debris of the incident. All of this is recorded by the two sides. To extend the novel, it often seems that the FAR's [Revolutionary Armed Forces] mission, the San Antonio Air Base's mission, and the pilot's mission was not to prevent the violation by two aircraft but to describe some military ships. The U.S. documents contain lengthy passages where, imagine, in the middle of a military operation of this nature, there is a lengthy dialogue on the color of the ship, the other ship, is it to the right or left? Is it a little to the left? Is it here or more over there? The effect is always the same. The effect is always the same, namely, to make the Cuban officers allegedly say they were father north.

Why didn't the gentlemen who met with those same officers here in Havana to compare the original recording with them, their voices, in order to understand every detail, do the same when the North Americans provided another version? Why did the commissioners not do that comparison with U.S. sources, with the person that recorded it, with the person who claimed this is the original recording? Why didn't they beg, beseech the United States, why don't they do this now? Why not beg Dr. Tarnoff, who falsely said in his news conference that his country had handed over everything, to finally give them the recordings? Why don't they reveal the original U.S. recording? Why don't they let it be analyzed, as ours was?

The specific question now is whether some or all of these conclusions, all the main ones, are so. Another question that arises pertains to the proceeding being used or not used to interrupt civilian airplane flights, but these are not civilian aircraft but, rather, paramilitary aircraft used for international acts of provocation, subversion, and sabotage, among other things; that is, the premeditated violation of international, civilian aviation during a long period of time. In addition, some of these aircraft come from the U.S. Armed Forces. Furthermore, all their crews have been trained, advised, and equipped by the United States.

What does the ICAO want us to do? Do they want us to disclose all those things too? I suppose we will do that at some point. I believe you not only have the right to see the report but you also have the right to know, and at the appropriate time you will be made aware of the many things these gentlemen have deliberately omitted. I would like to show you all the videos and pictures they possess but do not use, but we will wait a little. Let us see if decorum, dignity, and self-respect, at least, will make some people.... [pauses] Perhaps they will allow some of their friends to see, touch, analyze that famous tape. If they do not, then who is adulterating things here? Who is really afraid of the truth? We are asking that this report be completed, perfected, that the omissions and contradictions of the report be resolved, that they give the members of the ICAO Council the minimum, reasonable time needed to be able to make a serious pronouncement. It is time the Yankees quit shoving them around and treating them like schoolchildren.

[Moderator] Mrs. Castrellon, please.

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[Castrellon] Are you accusing the United States of having altered evidence? In addition to the tapes, is there any other evidence that has been altered? Have you made a formal complaint to the ICAO regarding this issue? What have you done in this regard?

[Alarcon] I have to accuse the United States because it has that tape. I have to exonerate the ICAO investigators; they are not the ones that have doctored the tapes. Those poor things have not been given permission to gain access to that evidence. They were seated in a small chair there before the professor and were made to listen to what the great American chief says is the American tape. I cannot accuse them of having doctored anything. I have to make an accusation of an excess of discipline in having permitted, having followed the U.S. ploy without one single protest or a more manly attitude, with due respect for the two sexes.

I believe we can accuse them of manipulating the entire process in order to frustrate the compliance with the ICAO resolution and the UN Security Council, which has asked for a full investigation. U.S. Transportation Secretary Pena was one of those who on 6 March defended the idea of holding the next meeting in 60 days, but in his government, Pena is responsible for the United States not having the report ready in 60 days. I repeat, they had to say so. They had completely concluded the investigation in Cuba and still had not received from the United States nothing less than the radar data.

I want to say something very important. I cannot believe this was a coincidence. I have to believe that all this was deliberate for one reason. In one of its sections, the report contains some interesting references to how the U.S. authorities since the beginning of February were concerned because they foresaw the possibility of the violation of Cuban airspace by Brothers to the Rescue.

Specifically on 23 February, the State Department sent instructions to U.S. civil aeronautics authorities asking them to adopt measures to supervise those....[pauses] the flights that would possibly take place the following day in order to adequately document them; in other words, we are not talking about an unexpected incident in this case. Civilian and military authorities had previously warned those radar units, those U.S. technical means that something could happen the following day. Each one was alerted; each unit received the information. The following day, 24 February, came, and an incident indeed occurred. What explanation is there for those authorities, those who are responsible, those technical means that had been warned beforehand not being able to provide the information by May or June? Frankly, I have to be skeptical. I have to believe they had the information but destroyed or eliminated it.

The same thing happened with the station at Key West. After receiving instructions on 23 February—be very careful with tomorrow's flight, as there could be problems—the following day, the flight has problems; that is when the incident occurred. It says here that when they went to Key West, when they requested the information from them, they were told that everything had been erased. They held the information 15 days. I repeat, they had been warned in advance. Something could happen, so you must make sure to record it properly. What was feared could happen occurred, and 15 days later you simply eliminate it. That is a fact, a specific fact, they cannot use. They almost cannot use the radar. You will see this in the descriptions even though there were supposedly instructions to adequately document what would happen on 24 February.

I do not want to reach conclusions on why U.S. authorities were so worried about what could happen that day and were interested in adequately recording everything. I must say frankly, however, that among other things, they have demonstrated a tremendous level of incompetence. Despite that—and this is recognized in the report— they presented almost no objective information, and everything ends with the long story of radio communications. They had to resort to us, to the Cuban military authorities, to present their version, moving the boat further off in order to support their hypothesis. They cannot say, however, they have, in fact, been able to confirm the location of the boat; nevertheless, they claim the information they obtained from the boat, even though they did not talk to the crew members, made it possible to determine where the incident occurred.

If after being prepared beforehand, after alerting everyone, the imperial power can only present such a lousy case against Cuba, it is really pathetic. I believe they are trying, most of all, to manipulate the public. They are convinced that with the barrage of propaganda and their control over the media, by repeating the same things over and over again, since very few people are going to read the entire report, they will create a specific picture and will produce the effect they are seeking in the political field.

[Moderator] Mauricio Briceno.

[Briceno] What would be the objective of this manipulative action by the United States? What are they after? Does it have anything to do with the measure they adopted later, the approval of the Helms-Burton law?

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[Alarcon] Undoubtedly, the connection does exist. They have used the incident as a justification to pass the Helms-Burton law as well as other measures. They used logic in this case. Not only did they decide to punish Cuba but the entire world, because the Helms-Burton law, as you all know, has not caused such a stir for the sake of it; it threatens everyone, not only Cuba. They have decided to do this based on a rationale they could not prove. They did it with full conviction.

In February, Clinton made a number of categorical remarks that he has said have led him to, quote, modify, unquote, his alleged, quote, position, unquote, because it is difficult to know what Clinton's positions are. It is more complicated than the Majesty of the Seas; it all depends on the winds. It is like a piece of paper lifted by a current at any speed and in any direction. Aside from that, they have used this incident to justify the approval of the law and other measures. If they had proof and if they were so convinced, why didn't they submit it to the ICAO in April?

What the ICAO stated on 6 May was that it had not received any of the U.S. facts. Why haven't they, even at this point, expressed their willingness to present the information they have not submitted? Instead of having Tarnoff in the White House saying they have handed all the information, it would have been wonderful had Tarnoff displayed the recording and said, let's go to Montreal right away to submit it to the ICAO and with witnesses, and so on and so forth, to truly clarify the incident. This is what they should have done instead of accusing us of tampering with the recording.

They should have followed our example. We delivered the original tape, the equipment used to process and record it, the recording, and gave the ICAO the opportunity to talk for long hours here in Havana with all the persons whose voices were in the tape. Why don't they do that? If they really want... [pauses] if they are really interested in finding out the truth, why do they insist with this manipulation? If there is a relation with those other things, and of course there is, now they need to show that the basis for that location, the steps that led to determine that location were consistent with that location. In other words, they need to show quote, after the fact, unquote that what Clinton said on 25 or 26 February — I don't remember exactly when it was — was true, as well as the things they did afterward. Can you imagine what would happen now if they were questioned — as they should — if the ICAO found them guilty — as they should be? There is no doubt that there were previous violations on which the ICAO has not acted. Even so, Mauricio, I would say it would be truly worthwhile if everyone could study and examine this report thoroughly because even this report does not, quote, prove, unquote, the U.S. argument with U.S. data. The investigating team could not ascertain the location of the incident based on the information presented by the United States. We should bear in mind that the United States submitted this information when it felt like it and under the conditions that best suited the United States; in other words, I can question the likelihood and truthfulness of any, quote, U.S. evidence, unquote, because none was submitted on time, and none was either verified by a witness or examined via a truly analytical and investigative process by the ICAO, and this is something some people must admit. All this proof was concocted in long sessions that were rather scheming sessions between the U.S. authorities and the drafters of the report.

Even under these conditions, the ICAO, the investigators, cannot independently ascertain where the downing took place. Here is the U.S. technique; you must have seen it in certain U.S. documents. What is their, quote, big victory, unquote? Their victory is that an independent source that is, the ICAO, has agreed with the United States. This is the legend; this is what they will repeat to convince people, but the ICAO has been forced to admit it has not even been able to independently pinpoint where the points of reference were to establish the location of the downing. This is a vicious circle. [passage omitted on Alarcon again criticizing the ICAO for playing second fiddle to the United States in producing this inaccurate report].

In and of itself, the Helms-Burton law constitutes an attack against the entire world. It violates the sovereignty of all countries throughout the world. It is not only illegal but also affects the legitimate interests of many people, and under any circumstances or any case, regardless of the argument, no one has to accept it. [passage omitted on background of the Helms-Burton law]

[Moderator] We now have a question from Karen Wall of Australia, and (?Patricia Groson) would like to ask one short question to close this news conference. (?Patricia Groson) is a correspondent from EL MERCURIO of Chile. Please ask your respective questions, and Comrade Alarcon will respond.

[Wall] My question has three parts that I will break down. First, was the fact that Basulto was condemned by U.S. Civil Aviation for having violated Cuban airspace on the date of the events taken into consideration in the report? Second, does the report include any special appeals proviso? Third, taking into account that it is very likely that this entire process is more or less linked to the elections in the United States than anything else, has Cuba not assessed the prospect of proposing the

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postponement of the decision until December when the election has concluded?

[Alarcon] [Words indistinct] as for your first question, somewhere in the report there is mention not of a condemnation but, rather, the suspension of Basulto's license. Unfortunately, during last week's news conference at the White House, the under secretary of state was asked whether the position held by the United States now would imply a cancellation of the suspension of Basulto's license; he answered that he would neither acknowledge nor deny the likelihood. This is one of the unfortunate and serious statements that was said during that news conference. Thus, the perception that lingered was that....[pauses] The entire license issue was nothing more than a gimmick to give the impression that the United States was adopting measures to implement its laws.

As for postponing the report until after the November elections, if the entire world had to live according to the tune played by the election climate in the United States, there would be the need to paralyze the planet, and humanity would be subjected to this event. Fortunately, this event is one that takes place every four years and not every year. What we believe is that the ICAO must, as soon as possible, carry out its obligation to investigate as well as fully and accurately report on the incident; in other words, we have not asked, and neither do we intend to request any postponement or rescheduling.

We are requesting something very elementary. We have proposed.... [pauses]. We have no right to vote. Let us wait and see if those countries that have the right to vote will allow themselves to be forced to adopt a decision pressured by the United States, following U.S. orders, or if they are going to do what they have to do; that is, to create the necessary conditions to carry out an impartial investigation. What is also at risk is the prestige and credibility of this international organization. The ICAO will have to prove if it exists as an independent and serious international organization or if it can be swayed as if it were some second-class organization. The third question....

[Moderator, interrupting] The one on appeal provisos.

[Alarcon] Yes, appeal provisos. Logically, the decision depends on what the council is going to announce. The council is subordinate to an ICAO general assembly [words indistinct] the most important point is that the ICAO's decision will be forwarded to the UN Security Council.... [pauses] For a long time now, Albright [words indistinct] that the report will be in New York between today and next Friday. Only she knows why she says that. Either way, one type of decision or the other will come out of that meeting along with recommendations. Who knows. I would not like to forecast what the future will be bringing.

At any rate, there are more significant appeals than the ones that could technically be filed at international organizations, namely appeals to the world, public opinion, history. Some day you will read from your own news media, I do not know if they will call it the Basultogate, the Airgate, the Wormgate but some day there will be publications on what they did, how they did it, whom they bribed, whom they bought, who erased what tape, who fabricated certain tape, and so on. If this has happened in your country of origin with almost everything that is human or divine, I am sure that this will happen some day, and that there will be a great deal of talk about Wormgate, and the last detail of this shameful and repugnant story will be made public. That is our greatest wish.

[Moderator] Patricia, please.

[(Groson)] More than a question, this is a request for an explanation. I understand that Cuba had alerted the United States through diplomatic channels of the activities of these aircraft, the activities of Brothers to the Rescue, and other organizations. A few minutes ago you were referring to the concern the United States had a few days before 24 February. Does the ICAO report also mention the warnings by Cuba — if any were made — through diplomatic channels, if my memory does not fail me, and a possible U.S. response — if there was one?

[Alarcon] In the report, there are references to the diplomatic exchanges between the two countries. In the report... [pauses] This is part of the selective and manipulating attitude of the investigators. In what respect? Although they referred to notes that exist, that are real, between Cuba and the United States, they did not always cite them at length. It seems like an attempt was made to show that the North Americans were very concerned all this time, and had been taking measures with regard to violators [Brothers to the Rescue], when, objectively, in fact, they never did anything. The only thing they did was on 16 May when they suspended the license of one pilot, Mr. Basulto. The report, however, did not mention, for instance, these notes, and this is something interesting. Some of those notes entail an acknowledgement on the part of the U.S. side, on the part of the U.S. authorities of some violations. Nonetheless, the investigators mentioned to them in their report accompanying them with the hackneyed phrase, according to Cuban authorities, when they should have said, also the U.S. authorities [words indistinct] there are some cases, and I have said this:

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we were informed of some violations by the North Americans.

Our first information I believe was the one that warned us such and such things could happen, as it is happening now, when there is talk of a repeat on 13 July. There is a note by Ms. Anne Patterson, addressed to the organizer of this so-called flotilla, in which she tells him the same thing: We understand that you are planning to do this. How did we learn of this note? Because, they, the North Americans, gave us this note. We know that right now they are talking in Miami of repeating their feat, of carrying out another act of provocation. If I said this, as many news media have said it, if Comrade Acevedo sent a letter to the ICAO reporting this, the investigators would say: Cuban authorities say, according to the Cuban authorities... [pauses] Why the hell do they not say that the source of information is Ms. Ann Patterson, assistant secretary of state for Central America? Ask her, why does she say she understands they are going to do that?

The report contained references to these things but in a very cautious manner. It did not use the U.S. notes as corroborating evidence of the violations Cuba has denounced. Instead, they were used... [pauses] That is why I insist this was custom-made. Since the report was drafted with the North Americans, the investigators have used them basically to show a concern, a coherence in the U.S. actions, prior to the incident, in a manner that really was not the case; unfortunately, it was not the case.

Dominican Republic

Dominican Republic: Voters Ponder Candidates' Pre-Election

PA2906193596 Madrid EFE in Spanish 0700 GMT 29 Jun 96

[By Alonso de Contreras]

[FBIS Translated Text] Santo Domingo, 29 Jun (EFE) — Dominicans are reflecting today on whether to elect Jose Francisco Pena Gomez or Leonel Fernandez tomorrow, Sunday, as their president for the next four years.

Pena Gomez is the presidential candidate for the Dominican Revolutionary Party (PRD), and Fernandez is the candidate for the Dominican Liberation Party (PLD), which has formed the alliance called the National Patriotic Front [FPN], with President Joaquin Balaguer from the Social Christian Reformist Party (PRSC), which was eliminated during the first electoral round on 16 May.

The Dominican elections were moved ahead two years as the result of the political crisis caused by the election irregularities in 1994, when Balaguer, age 89, was reelected by a narrow margin amid numerous fraud accusations.

Fernandez and Pena closed their electoral campaigns on Thursday and Friday, respectively. In the final phase, these have been characterized by personal attacks.

The ultranationalists from the Progressive National Force (FNP), which supports Fernandez, have accused Pena Gomez of being "a threat to the Dominican nation."

The candidate for the FPN reiterated on Friday the existence of an international conspiracy by the "Madrid-Washington-Caracas" axis, to denounce an electoral fraud if he wins the elections.

According to Fernandez, the international media have been influenced by Pena against the PLD, a party that has protested the alleged "interference" of the U.S. and Spanish media.

Pena explained his government program on Friday in a speech that was broadcast to the country while the state-owned television station showed videos of Fernandez' rally on Thursday. He asked for the votes of the Dominican people and led a march toward the sea wall of the Caribbean capital, which ended in "merengue" (Dominican pop music) and rum.

"The dark-skinned one is moving ahead," said Pena, who is of the black race, referring to himself.

He also promised "a different Dominican Republic" and criticized the "cardboard nationalism" of the FPN.

Pena said, "The intervention took place 31 years ago when the country was intervened in by the U.S. Armed Forces under the authorization of the OAS, and on that occasion we did not see the cardboard patriots condemning it."

The Dominican election campaign officially ended Friday at 2400 local (0400 GMT Saturday).

Representatives of over 25 international organizations are present in the country to observe the development of the elections.

The observers include OAS Secretary General Cesar Gaviria, former U.S. President Jimmy Carter, and former Colombian President Belisario Betancur.

A National Network of Election Observers, which was strongly criticized before the first electoral round by groups close to the FNP, will be overseeing the development of elections for the first time. Its organizational work, which will end this 30 June, has been widely praised by the National Electoral Board.

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According to several surveys, which have been yielding different results, the winning candidate will obtain a small margin of votes over his contender.

According to some commentators, the smaller the difference, the greater the danger the official results will not be accepted by the loser.

Dominican Republic: Elections Begin; Violations Charged

PA3006131296 Madrid EFE in Spanish 1209 GMT 30 Jun 96

[FBIS Translated Excerpt] Santo Domingo, 30 Jun (EFE) — The Dominican presidential elections began at 0600 (1000 GMT) today in an air of prevailing calm, even though a radio network accused a television channel last night of violating the electoral law.

Early this morning, thousands of women, who are scheduled to vote first, began to stand in line in front of voting centers.

Dominican voters will be participating in runoff elections today to choose between two finalist candidates: Jose Francisco Pena Gomez of the Dominican Revolutionary Party or Leonel Fernandez of the Dominican Liberation Party, which has formed an alliance called the National Patriotic Front, with President Joaquin Balaguer.

In the capital, the Circuito Corporan, a radio network that supports Pena Gomez, has been accusing Channel 6 Television of violating the electoral law by broadcasting messages in support of Leonel Fernandez in violation of provisions of the Central Electoral Board. [passage omitted]

Dominican Republic: Democratic Election 'Normalcy' Noted

PA0107010496 Madrid EFE in Spanish 2238 GMT 30 Jun 96

[FBIS Translated Text] Santo Domingo, 30 Jun (EFE) — The Citizens Network of Electoral Observers [Red Ciudadana de Observadores Electorales — RCOE], which is observing the Dominican presidential election, confirmed in its initial report today that there was relative democratic normalcy during the election.

During a news conference attended by former Presidents Jimmy Carter of the United States, Ramiro de Leon Carpio of Guatemala, and Belisario Betancur of Colombia, the RCOE stated that irregularit... have been detected "as in any other election" but that "thus far" they are not due to any particular political bias.

The RCOE's initial report was on the women's vote. In the Dominican Republic, where the voting lists are sealed, the electorate votes in two separate shifts; that is, the first for women, the second for men.

According to the RCOE, the irregularities began the evening of 29 June when a private television station broadcast electoral propaganda against candidate Jose Francisco Pena Gomez. Channel Six was closed today.

The observers also expressed regret over the low quality of the electoral material, specifically stained votes or ballots.

Among the detected irregularities, which, according to the RCOE, have not yet compromised the quality of the elections, was the case of a school where voters' identification and electoral cards were taken from them with the military's help.

Dominican Republic: Electoral Board Notes 'Satisfaction'

PA3006235096 Madrid EFE in Spanish 2303 GMT 30 Jun 96

[FBIS Translated Text] Santo Domingo, 30 Jun (EFE) — The Central Electoral Board (JCE), which organized today's presidential election in the Dominican Republic, has expressed satisfaction with how it unfolded.

JCE President Cesar Estrella Sadhala said in a televised message that the JCE "is pleased" and that the board "has received an answer from a people who have proven they want democracy."

Sadhala asked the Dominican people "to return to their homes with faith and patience" once they have voted and to wait for the news broadcast by the government radio and television network The Voice of the Central Electoral Board and "not to believe any other information."

Dominican Republic: Electoral Board Allows TV To Reopen

PA0107012696 Madrid EFE in Spanish 0005 GMT 1 Jul 96

[FBIS Translated Text] Santo Domingo, 30 Jun (EFE) — The Central Electoral Board (JCE) the evening of 30 June allowed the reopening of television station "Channel Six," which was closed because it had broadcast electoral propaganda. The station's broadcasts are now under JCE control.

The JCE the morning of 30 June ordered the military and state security police to take over "Channel Six" because of its violation of an ordinance whereby for three days "the private media were banned from broadcasting

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political or electoral news (..) that would interfere with the JCE's duties."

Supporters of candidate Jose Francisco Pena Gomez, of the Dominican Revolutionary Party (PRD), the evening of 29 June complained that "Channel Six" was broadcasting messages against Pena Gomez and in favor of Leonel Fernandez, candidate for the Dominican Liberation Party, which has the support of President Joaquin Balaguer.

According to the latest JCE arrangement, "Channel Six" is once again on the air, but its broadcasts up to 2 July are under the responsibility of the Voice of the Central Electoral Board, the only radio and television network authorized to broadcast information about the 30 June presidential election.

Dominican Republic: PRD Candidate Reiterates Result Pledge

PA0107031296 Madrid EFE in Spanish 0156 GMT 1 Jul 96

[FBIS Translated Text] Santo Domingo, 30 Jun (EFE) — Jose Francisco Pena Gomez, presidential candidate for the Dominican Revolutionary Party (PRD) in the 30 June election, reiterated his pledge tonight to respect the official election result.

In a press statement sent to EFE, Pena Gomez confirmed his "pledge to our fellow citizens and the international community to respect the decision of the Dominican people in this election as well as the verdict handed down by the Central Electoral Board."

Pena Gomez competed in a runoff election today against Dominican Liberation Party candidate Leonel Fernandez, who has the support of President Joaquin Balaguer.

In his statement, Pena Gomez "urged his fellow party members and the entire national electorate to remain calm and to distance themselves from any type of action that could be interpreted as pressure against the country's top electoral body."

The PRD candidate forbade "any type of street events such as meetings, caravans, marches or any hasty actions in anticipation of the election result."

Pena Gomez made his statement public prior to the release of the first official vote count.

Dominican Republic: Fernandez Said Leading Pena Gomez

PA0107030496 Madrid EFE in Spanish 0218 GMT 1 Jul 96

[FBIS Translated Text] Santo Domingo, 30 Jun (EFE) — The first official bulletin issued by the Central Electoral Board (JCE) on today's Dominican presidential election shows candidate Leonel Fernandez ahead of Jose Francisco Pena Gomez.

According to Bulletin No. 1, issued at 2210 (0210 GMT 1 July), Leonel Fernandez, of the Dominican Liberation Party (PLD), received 51.85 percent of the votes compared to 48.15 percent for Pena Gomez, of the Dominican Revolutionary Party.

Dominican Republic: Fire Breaks out at Electoral Board HQ

PA0107040796 Madrid EFE in Spanish 0241 GMT 1 Jul 96

[FBIS Translated Text] Santo Domingo, 30 Jun (EFE) — A small but spectacular fire, apparently sparked by a short circuit, broke out tonight at the Central Electoral Board (JCE) just as the first official presidential election results were being released.

EFE has confirmed that the fire, releasing plenty of smoke, broke out on the second floor of JCE headquarters in an area between the studio where the results are being broadcast and the offices of the electoral judges. Firefighters advised the JCE to shut off part of its electrical system.

During a televised message aimed at soothing people's apprehensions, JCE President Cesar Estrella Sadhala quickly apologized to the Dominican people. According to the JCE president, the incident will not interfere with the vote-counting process.

The first official bulletin on today's presidential election has given candidate Leonel Fernandez the edge over Jose Francisco Pena Gomez.

According to bulletin No. 1, released at 2210 (0210 GMT 1 July), Fernandez obtained 51.85 percent of the votes compared to 48.15 percent for Pena Gomez. The bulletin reflects the vote count of 24.09 percent of registered voters.

Dominican Republic: JCE's 2d Bulletin on Fernandez Lead

PA0107041696 Madrid EFE in Spanish 0321 GMT 1 Jul 96

[FBIS Translated Text] Santo Domingo, 30 Jun (EFE) — Presidential candidate Leonel Fernandez continues

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to lead over Jose Francisco Pena Gomez, but the gap has reduced slightly, according to the Central Electoral Board's (JCE) official bulletin No. 2 on the status of today's election.

In the second bulletin on the official, provisional vote count, which was released at 2310 (0310 GMT 1 July), the JCE gives Fernandez 51.15 percent of the votes and Pena Gomez 48.84 percent.

In the first bulletin, Fernandez, from the Dominican Liberation Party (PLD), received 51.85 percent of the votes and Pena Gomez, from the Dominican Revolutionary Party (PRD), 48.15 percent.

The JCE's second communique includes data collected from 55.98 percent of the country's 9,946 electoral polling stations and represents 40.52 percent of registered voters.

Dominican Republic: JCE's 3d Bulletin on Fernandez Lead

PA0107043696 Madrid EFE in Spanish 0405 GMT 1 Jul 96

[FBIS Translated Text] Santo Domingo, 1 Jul (EFE) — In its third official bulletin on the 30 June presidential election, the Central Electoral Board (JCE) announces that Leonel Fernandez leads with 51.2 percent of the votes over Jose Francisco Pena Gomez' 48.8 percent.

The lead in the previous bulletin, which now stands at 2.4 percentage points, was 2.32 points. Fernandez, from the Dominican Liberation Party (PLD), in alliance with President Joaquin Balaguer's Social Christian Reformist Party, received 51.16 percent of the votes, and Pena Gomez, from the Dominican Revolutionary Party (PRD), received 48.84 percent.

The JCE's third communique includes official, provisional data representing 50.4 percent of registered voters.

The Dominicans voted on 30 June during a runoff election. This presidential election was moved ahead by two years due to charges of fraud during the 1994 elections in which 89-year-old Balaguer was officially reelected.

Haiti

Haiti: Anti-Reform Sentiment Prevails in Assembly

96P20448A (Internet) Haiti Online in French 26 Jun 96

[Article by Ives Marie Chanel (IPS): "The Parliament Between a Rock and a Hard Place"]

[FBIS Translated Excerpt] The future of the agreements signed with the International Financial Institutions [IFI] on the economic reform programs will largely depend on the decision made by Haitian legislators.

Last month the majority in the parliament were leaning towards rejecting the government's economic policy. However, day by day, legislators and political analysts remain cautious regarding the vote to be taken by the two chambers on the laws and structural adjustment agreements. "We must wait for the vote, but as of now a large percentage of deputies are against the government's economic policy," Deputy Joseph Jasmin explained. He believes, however, that the deputies are not adhering to a particular party line.

Deputy Jasmin believes that the party in power, of which he is a member, is divided on the question of economic reforms. He said that the nine deputies and two senators from the north have declared their opposition and are leading a campaign against the government's economic program. [passage omitted]

Regarding the possible rejection by parliament of the economic program, President Preval has stated: "It is up to the legislators to shoulder the irresponsibilities."

The steps taken and statements made by the parliamentarians reflect incoherence and confusion, which demonstrates the complexity of the situation and the differences of opinion.

The legislators will also have to manage in the near future challenges from popular organizations and unions who are counting on them to bring about the failure of Preval's economic program.

Thirty-eight organizations, including non-governmental, human rights, and socio-professional organizations, have asked parliamentarians to abstain from voting for the laws and structural adjustment agreements.

In a resolution published on Tuesday, the organizations that participated last week in a seminar on "neoliberalism and human rights" rejected the government's economic policy, which, according to them, "opens the door to human rights violations and disregards the need for justice for the people following three years of the coup d'etat."

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To counter the economic program the human rights organizations that signed the resolution intend to integrate economic and social rights in their work by promoting and publishing information on violations. [passage omitted]

The debate on economic reforms has cooled down over the past two weeks, replaced by discussions of financial scandals, the dubious use of public funds, the renewal of UNMIH, and diplomatic ties to China and Taiwan. Nevertheless, some observers believe that the vote on 5 June in the Chamber of Deputies and the Senate's review of the budget forecast parliament's ratification of the economic reform program.

The financing of much of the budget by means of external assistance based on reforms and the vote on laws that meet the IFI's requirements justify this approach.

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Mexico: Parties Form Common Front Against U.S. Sanctions

PA3006201796 Mexico City XEW Television Network in Spanish 0330 GMT 28 Jun 96

[From the "24 Hours" newscast]

[FBIS Translated Text] [Announcer Amador Narcia] Deputies and senators of the PRI [Institutional Revolutionary Party], PAN [National Action Party], PRD [Party of the Democratic Revolution], and PT [Workers Party of Mexico] formed a common front this Friday to defend Mexican produce growers against accusations and possible sanctions they could face in the U.S. market:

[Begin recording] [Unidentified reporter] During a news conference attended by tomato growers from northern Mexico, the deputies said that due to the frequent pretexts to block Mexican horticultural products they are willing to promote a Mexican blockade on U.S. products. PRI Information Secretary Heriberto Galindo pointed out that if they block tomato exports he will ask that Mexico also block U.S. imports:

[Galindo] If the situation worsens, if the negotiations to stop accusations from Florida farmers against Mexican farmers do not prosper, we would be willing to ask the Mexican Government, and specifically the Secretariat of Agriculture, Livestock, and Rural Development, to stop the import of over 1 million cattle bellies until this issue is reasonably and fairly settled.

[Reporter] Galindo said that due to the attempts to block Mexican tomatoes, Mexican farmers have lost 30 percent of their exports in the first four months of this year. He said that Humberto Roque Villanueva, PRI deputy and chairman of the Grand Committee of the Chamber of Deputies, met privately with deputies, senators, and producers. Villanueva vowed to ask President Zedillo to intercede directly with President Clinton on behalf of Mexican farmers who export to the United States.

Galindo added there is news of plans to file dumping charges against Mexican chilis, avocados, mangoes, and cement, among other things.

The meeting was attended by the chairmen of the Agricultural and Commerce Committees, and by Luis Cardenas and (Basilio Garzione), who represented agricultural associations from the north and from Sinaloa, respectively. [end recording]

Mexico: Country Said Surrendering Sovereignty to U.S.

PA2806174296 Mexico City LA JORNADA in Spanish 26 Jun 96 pp 1, 12

[Article by Emilio Zebadua]

[FBIS Translated Text] During this six-year term, the main boundaries of our national sovereignty have been subordinated, one by one, to U.S. interests; that country's agenda has become, practically without exception, the guide for the Mexican Government's actions in the struggle against drug trafficking, the regulation of migration flows, internal order, and the economic adjustment. Mexican laws, internal order, and work schedules have been adjusted to the U.S. pace and needs.

Foreign Secretary Jose Angel Gurria has obviously denied that the country's policies have been made contingent on the financial aid package granted by President Bill Clinton to the Mexican Government. However, President Ernesto Zedillo has explicitly stated on various occasions his personal gratitude for the support received, and the alliance was formally established in October, in a ceremony at the White House garden.

Dealings between the two governments have increased since then: A special U.S. Treasury Department committee traveled to Mexico to supervise the use of the financial package's resources; Defense Secretary Enrique Cervantes has met with his U.S. counterpart, William Perry, an inordinate number of times; and U.S. Attorney General Janet Reno has deployed extraordinary resources for the surveillance and struggle against crime in Mexico.

In reply to this, Attorney General Antonio Lozano Gracia insisted yesterday that "drug trafficking represents the leading national security problem" in our country. This statement concides with the motives that rule Washington's foreign policy toward Mexico and extend this policy to various areas in Latin America. A closer cooperation favors the expansion of the U.S. role in national policies, whereas subordination to its mandates destroys sovereignty bit by bit.

The most recent measure in this process is the creation of the "binational work groups" in charge of surveillance at the airport, railroad stations, and bus depots in Mexico City. These groups will be comprised of Mexican agents operating under the supervision and guidance of DEA and FBI agents. This scheme reflects the experience developed at the northern border, where official agents of the two countries exchange information and coordinate actions to counter drug trafficking.

Nevertheless, the possibility that the movement of Mexicans and foreigners through Mexico's main highways

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could fall under the control and vigilance of foreign agents is alarming. The "coordination" of U.S. and Mexican agencies' activities on Mexican territory is, in this specific case, a euphemism for the growing interference of the DEA, FBI, and U.S. Treasury Department in tasks that belong to Mexican authorities. The Mexican Government's claim that this will be done "with strict observance of national sovereignty" does not help at all.

On the contrary, it shows that the daily and real exercise of sovereignty is passing into the hands of U.S. Government officials, no matter where they are: The chief of the DEA mission in Mexico does not have to head drug operations to dictate orders to his counterparts in the republic's Attorney General's Office from his offices in the U.S. Embassy in Reforma Avenue; the U.S. Treasury Department does not have to approve every financial transaction so that the Mexican Finance Secretariat obeys the provisions of the financial aid package; the disproportional relationship underscores the difference.

Placing Mexico's internal security activities under the supervision, coordination, or advice of U.S. police agencies has the same effect. The task of detecting drug trafficking at airports, bus terminals, and at the border belongs to Mexican authorities. Carrying out these tasks jointly with U.S. agents is one more step in the disintegration of the basic elements that, as a whole, comprise Mexican sovereignty. What is even worse is that this process is occurring bureaucratically, and apparently, apolitically, through cooperation agreements. Our county cannot give up the defense of its sovereignty, and the government cannot continue to surrender our sovereignty piece by piece.

Mexico: Zedillo Tours Tabasco State, Promises Finances

PA2906150196 Mexico City XEW Television Network in Spanish 0330 GMT 26 Jun 96

[From the "24 Hours" newscast]

[FBIS Translated Text] In Tabasco State, Mexican President Ernesto Zedillo announced the allocation of financial resources to support social development in this state.

[Reporter] During his official visit to Tabasco State, President Zedillo toured different and distant sites in this geographic area. He first visited its capital city, Villahermosa. At the Tabasco 2000 Convention Center, the president headed the meeting for social development commitments and the signing of the respective agreement.

On this occasion, he announced the allocation of unprecedented resources for this state: more than 12 billion pesos from Pemex [Mexican Petroleum] investment, from federal government expenditures, and from other governmental agencies. Most of the federal government's disbursements, the president said, will be used to improve health services, education, home construction, highways, and rural roads, which will generate employment, as he pointed out.

[Begin Zedillo recording] Out of each peso, 70 cents will be allocated to social expenditures, that is, for the Tabasco families' well-being in order to create and multiply opportunities to achieve better living conditions. [end recording]

[Reporter] The Mexican Government, President Zedillo stated:

[Begin Zedillo recording] ... stands with each Tabasco citizen, because each and every one of you wants to work for the well-being of his family, his community, and his state amid a vigorous diversity and rich plurality. [end recording]

[Reporter] At the Tabasco 2000 Convention Center, a choir of 400 elementary school children gave a moving welcome and good-bye to the Mexican president. These children sang the "Song to My Planet." [children singing]

Later President Zedillo went by helicopter to Huipanguillo Municipality, where he visited the installations of a plant that manufactures canned pineapple. Then he attended the Alliance for Tabasco's Land ceremony, where he urged peasants and agricultural producers to work unitedly to fight food deficiency.

[Begin Zedillo recording] We do not want a fruitful land that is inhabited by poor peasants and families. All of us have to work very hard together. [end recording]

[Reporter] President Zedillo spent some time touring the installations of the new Pemex complex, which will become Mexico's largest production center of gas and basic petrochemical products as the result of the current expansion works. The final event took place at the Frontera port at the mouth of the Grijalva River. There he witnessed how the Communications and Transport Secretariat turned over to the Tabasco State government the ports of Frontera, Dos Bocas, Chiltepec, and Sanchez Magallanes, whose management will be shared with the private sector under licenses.

(Alejandro Bojortes Uniz) spoke on behalf of the Tabasco State businessmen.

President Zedillo was accompanied by his wife Nilda Patricia; the secretaries of social development and of

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agriculture, livestock, and rural development; the Pemex director; and Tabasco State Governor Roberto Madrazo, among other federal and state officials.

Mexico: PRD To Participate in National Talks for Reforms

PA2906120896 Mexico City XEW Television Network in Spanish 0330 GMT 27 Jun 96

[Report by Amador Narcia, Fernando Mora, and Ana Cristina Pelaez in Mexico City; from the "24 Hours" newscast — passages within quotation marks are recorded]

[FBIS Translated Text] [Narcia] In a communique dated in Rome, Italy, PRD [Party of the Democratic Revolution] President Porfirio Munoz Ledo has said his party will continue to participate in the national talks for state reforms. He has said the electoral reforms must be implemented without any excuse whatsoever, because they are the result of great efforts that have been exerted for many years to change the rules of the political game in Mexico.

Meanwhile, leading PRD leaders met in Mexico City this evening.

[Mora] Members of the PRD National Executive Committee held a meeting the evening of 26 June to analyze the issue of their return to the negotiations for political electoral reforms. Jesus Ortega, PRD coordinator at the Chamber of Deputies, said they will return to the negotiations only if the following three points are fulfilled:

1) The PRI must present all its proposals on constitutional reforms resulting from the accords approved by the political parties at the Government Secretariat; 2) The so-called political reform discussion table must be reinstated to submit overall proposals to solve political and social problems in Tabasco; 3) What they consider harassment against local PRD legislators and activists in Tabasco must cease:

[PRD Coordinator Jesus Ortega] "The temporary withdrawal will continue until those three conditions are met."

[Mora] The coordinator of the PRD deputies added that this position does not contradict the statement issued by PRD President Porfirio Munoz Ledo, who has said in Rome, Italy, that his party will continue to participate in the national talks for state reforms.

[Pelaez] Ricardo Garcia Cervantes, coordinator of the National Action Party [PAN] deputies, has issued an ultimatum to the PRI [Institutional Revolutionary Party] deputies, saying PAN members will attend no more negotiations for electoral reforms if the PRI does not present its specific proposals and respects previous accords. He has said this is not a definite withdrawal of the PAN from the negotiations, and he has said PAN members as well as PRD members will adopt a new attitude in future negotiations:

[PAN Coordinator Ricardo Garcia] "We will allow no disregard for previous work and previously adopted pledges. If we have to go, to prove that we have not withdrawn, we will go, but we will go to tell them this."

[Pelaez] Garcia Cervantes has said this remark in a news conference that was attended by Gonzalo Altamirano Dimas, PAN leader in the Federal District, and PAN deputies who comprise the government commission in charge of drafting the constitutional reforms resulting from the Government Secretariat agreements.

Mexico: Guerrillas Attend Massacre Anniversary

PA2906040896 Mexico City Radio Red Network in Spanish 2300 GMT 28 Jun 96

[From "The Night Monitor" newscast]

[FBIS Translated Text] This is an important report on the commemoration of the first anniversary of the massacre of peasants in Aguas Blancas, Coyuca de Benitez. In the past year, this massacre has been debated by all social sectors, the administration of justice, and political circles in Guerrero and all the country. Kenia Guzman is in Coyuca de Benitez, where one year ago there was much sadness, grief, reports, and statements on this incident. Good afternoon, Kenia.

[Guzman] Hi, Martin. Good afternoon to you and the station listeners. After one year of rumors, during the commemoration of the Aguas Blancas massacre this afternoon, a group of guerrillas arrived to express solidarity with the relatives and widows of the 17 peasants who were massacred by the state police on 17 June last year. The guerrillas are members of the so-called People's Revolutionary Army [EPR], believed to have emerged right after the Coyuca massacre one year ago.

Amid the excitement of all present, including PRD [Party of the Democratic Revolution] leader Cuauhtemoc Cardenas, deputies, and senators, the EPR members took a wreath to the grave of the 17 massacred peasants, fired 17 blank cartridges, and read the Aguas Blancas communique.

[Begin unidentified person recording] Reason and justice are on our side. Today, moved by the unfair living and working conditions, we want a democratic and revolutionary transformation in our homeland. In a conscious and voluntary move, we have created an instrument of

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struggle, which we call People's Revolutionary Army [EPR], which is made up of men and women of the various exploited and oppressed sectors of the people, and has recognized the need to organize itself against the reactionary violence of the exploiters and oppressors who for decades have attempted to drown in blood the Mexican people's struggle for their legitimate aspirations. [end recording]

Martin, I am also reporting that the event still continued. In his speech, Cardenas had previously demanded justice and a political and criminal trial against Ruben Figueroa Alcocer. In the presence of nearly 5,000 peasants, students, teachers, and Indians from all over the country who had marched for nearly two hours from Coyuca to the Aguas Blancas river crossing, some 70 men armed with AK-47 rifles, the well-known goat horns emerged from the surrounding mountains. The men were dressed in military olive-green uniforms, had their faces covered with black cloths, wore black boots, and had on their shoulders badges with the initials EPR. All seemed quiet during the march to the river crossing, but the checkpoints and the security cordons that the peasants themselves had set up along roads looked strange. The members of the Broad Front for the Construction of the National Liberation Movement and the peasants of the Organization of the Southern Mountains said they did not know of the guerrillas' visit. The peasants, however, admitted that there had always been reports and rumors of their existence.

Everyone was astonished. The armed men did not give their names. They just said they were from Guerrero, that they do not come from Chiapas, and that they number 500 in the Southern Mountain so far.

[Begin unidentified person recording] [Words indistinct] determination to combat the demagogical policy of an unpopular government which, to defend the financial and business leadership and foreign interests in Mexico, has always refused to meet the people's demands for justice, democracy, and freedom, and has shown that it will never meet these demands. For this reason, we have decided to have our demands fulfilled by a show of force and arms. [end recording]

The men left just as they had arrived, through the jungle, and followed by a crowd of reporters and followers who wanted to greet them and congratulate them for taking this position. When the guerrillas arrived at the Aguas Blancas river crossing at around 1600, the people got scared and fled in all directions. Later, however, when they heard the revolutionaries' call, they started to shout: Justice! Before leaving, the guerrillas called all democratic, union, political, armed, and revolutionary organizations to join their struggle and their army ranks. This is our report from Coyuca.

[Espinoza] Kenia, about this group of 500 men. How did they arrive? Marching, or hiding among the bushes? You say they came down from some villages and that they returned to same later. Regardless of how many people got scared, as you said, what did you observe in them regarding this commemoration of the Aguas Blancas massacre anniversary?

[Guzman] Of course, Martin. We were about to leave. Cardenas was about to leave, too. We were interviewing him after he delivered his speech. During the interview, we heard the people start to shout. When we looked up into the mountains, which one year reportedly had been full of motorcycle police, we saw lines of armed men dressed in green fatigues come down. Everyone thought it was Subcommander Marcos and his people because their faces were covered and carried automatic rifles. The people got scared when they saw the men cross a fence and stand in plain sight. The people thought it was the Army that had come to repress them, but no. The men told the people not to be afraid, that they were revolutionaries. Then the people started to shout: Justice! and applaud. There was a great commotion. Even the senators and deputies, in particular of the PRD, including Cuauthemoc Sandoval, Senator Felix Salgado, and Cardenas were scared and astonished and left the place immediately. That is when the armed men started to speak and then presented the Aguas Blancas communique. They appear to be very well-organized and made up of Indians because a young woman with them spoke in Nahuatl. We all were astonished because the men's arrival was surprising. No one expected such an arrival.

[Espinoza] Kenia, this is the first time of such a public appearance, right.

[Guzman] We were very much surprised because the peasants were not letting just anyone through. Everyone of us had to identify himself. We were all given badges before getting through. There was nearly a problem after the men left because the people tried to follow them into the jungle. The armed men forced back the reporters and residents because of this attempt to follow them. There was some violence, but they never showed signs of violence when they arrived. Apparently, they had walked a long distance. They looked tired and were panting.

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El Salvador

El Salvador: Secret Group Threatens Leaders, Journalists

PA2906014696 Mexico City NOTIMEX in Spanish 1919 GMT 26 Jun 96

[FBIS Translated Text] San Salvador, 26 Jun (NOTIMEX) — An up-to-now unknown clandestine group today began sending death threats to Salvadoran leaders, local journalists, and foreign correspondents whom it describes as "targets" of likely attacks.

"To all those maggots and ill-bred: We warn that your days are numbered," the unknown group "Major Roberto d'Aubuisson Nationalist Force (Furoda)" has warned in a communique sent to NOTIMEX.

"We warn all of you that your time is up and that as of this date you have now become an additional target to destroy, because you are the only ones who do not want to see a country in peace and with opportunities for all," added the text of the communique.

"The time has arrived to confront all those perverse minds who, by using political parties, the church, and anti-government civilian organizations, have been criticizing the government of (President) Armando Calderon Sol," the document stated.

According to the group, "we have patiently withstood the systematic attack from a frenetic opposition disguised as 'pseudo-right-wingers and redeemers of the people' that attempts to destabilize the Republic at any cost and embarrass the supreme government."

"To the international press, we especially warn that our sovereign territory will not allow any villainous interference," states the first communique of the unknown group.

"For each disinformation in which you engage, our forces will carry out one sabotage," adds the Furoda communique No. 1, which also includes a logo similar to the Nazi swastika and the name and acronym of the group at the bottom of the text.

"We would like to say to all of you (those who have been warned) that as of this moment, we have created the conditions to give an example to those who seek to stop the Salvadoran, democratic process," states the communique.

The Furoda accused those it threatened of abusing the country's "existent, wide-ranging liberties" by misleading the people and slandering "honorable" officials. These officials slandered include, among others, Juan Domenech, president of the ruling government party the Nationalist Republican Alliance (Arena), Interior Minister Mario Acosta, Tomas Calderon Sol, head of he state's intelligence organization, and Public Security Minister Hugo Barrera.

Included in the communique is a list of 15 names that include, among others, businessman Jorge Zedan, owner of the Salvadoran television station Channel 12, and journalist Mauricio Funes, a Channel 12 employee and winner of the 1995 U.S. "Maria Moors Cabott" award.

The list also includes Francisco Valencia, director of the newspaper CO LATINO, which the group links to leftist groups, Human Rights Ombudsman Victoria de Aviles, and Rodolfo Cardenal, vice rector of the Central American University (UCA).

The clandestine group identifies itself with the name of deceased Major Roberto d'Aubuisson, who was leader of the ruling government party Arena. Several human rights organizations had accused d'Aubuisson of being the founder of paramilitary death squads that operated in El Salvador during the civil war (1980-1982) [dates as received].

According to the Truth Commission, which was appointed by the United Nations in 1992 and which investigated cases of human rights violations, the death squads were funded by Salvadoran businessmen living in Miami.

The clandestine group's communique appears two days after a group of alleged former guerrillas accused Public Security Minister Barrera and other National Civilian Police (PNC) members of being leaders of a death squad in the riot police corp. Leonel Gonzalez, general coordinator of the Farabundo Marti National Liberation Front (FMLN), denounced two months ago, however, that government officials and landowners in the eastern part of the country were organizing a death squad to counter rising, criminal activity.

Guatemala

Guatemala: Officials View U.S. Report on CIA, Rights

PA2906225296 Panama City ACAN in Spanish 1952 GMT 29 Jun 96

[FBIS Translated Excerpt] Guatemala City, 29 Jun (ACAN-EFE) — A U.S. Government report has confirmed that the CIA has been playing a role in "serious" human rights violations in Guatemala since 1954. The Army overthrew President Jacobo Arbenz in 1954, with the backing of the U.S. secret intelligence service known as the CIA; reports on agents being involved in incidents outside the law have been filed ever since.

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Defense Minister General Julio Balconi told ACAN-EFE on 29 June that it is not known whether the CIA has been playing a role in human rights violations in Guatemala.

Army Inspector General Gen. Otto Perez has told ACAN-EFE that he has no knowledge of the White House report, refusing further comment. "We definitely do not know whether the CIA is involved in violations. We will have to wait for any information that they (the United States) wish to present in order to carry out the procedures in Guatemala," he said. Perez recalled that all that is known is the participation of U.S. secret service agents in Arbenz's overthrow. There are documents that the United States has already disclosed that show how this situation developed, he said.

Ricardo de la Torre, a government spokesman, showed little surprise over the disclosures and reminded that the CIA's role in Guatemala and Latin America "is nothing new."

"(The CIA) has been quite involved in most of the countries on the continent. It is interesting to see all of this coming to light. Hopefully, we will learn from history; hopefully, it will never ever happen again," De la Torre told ACAN-EFE.

Human Rights Ombudsman Jorge Mario Garcia preferred not to comment on the report after arguing that he does not know about it. [passage omitted on the White House report]

Political analysts suggest that the White House is issuing the report in an attempt to put the lid on the "scandal" over reports that CIA agents were paid to participate in murders.

The Attorney General and Public Prosecutor's Office is currently reviewing more than 6,000 declassified documents on human rights violations in Guatemala that the State Department released in May. Prosecutor Julio Arango said that the documents will be reviewed to determine which ones can shed some light on the human rights violations.

Foreign Minister Eduardo Stein has said that publicizing the documents will help promote respect for basic guarantees and shed some light on many of the political assassination cases.

U.S. Ambassador Donald Planty [name as received], who is scheduled to replace Ambassador Marilyn McAfee following her return to Washington, will place full observance of human rights in Guatemala toward the top of his list of priorities.

Guatemala: Congress President Regrets U.S. Travel Warning

PA2906162096 Guatemala City LA REPUBLICA in Spanish 27 Jun 96 p 2

[FBIS Translated Text] Carlos Garcia Regas, president of the Guatemalan Congress, regretted yesterday that the U.S. Government had issued a severe warning against travel to Guatemala by U.S. citizens.

Garcia Regas said: "It is worrisome that the U.S. Government, considering there is a high index of violence here, has issued this note to its citizens, who for reasons of tourism or for any other reason may want to travel to Guatemala."

The official said this in commenting on the U.S. Government decision to advise its citizens to avoid traveling to Guatemala, especially by road, because Guatemala's roads are very dangerous. This is a situation the Guatemalan authorities have been unable to control and has produced victims from several coutries, including the United States.

The Congress president admitted that there is a high level of violence in Guatemala, but noted that the authorities are doing everything possible to counteract this situation.

As everybody knows, many North Americans, both men and women, have been the victims of attacks, assaults, and rape, and many have died resisting the criminals.

The U.S. warning has come at a moment when the government headed by Alvaro Enrique Arzu Irigoyen is fighting the bands of car thieves, kidnappers, and other criminals hard and has been able to capture some of their members.

Guatemala: Minister Says Foreign Funds Needed After Accord

PA2806232196 Guatemala City LA REPUBLICA in Spanish 25 Jun 96 p 3

[Report by Hector Borrayo Santos]

[FBIS Translated Text] Foreign Minister Eduardo Stein has said the country will need more than $2 billion worth of foreign cooperation and domestic resources after the peace agreements are signed.

He has said the government is making all possible contacts to obtain the necessary cooperation. This is why meetings with members of institutions and governments that have voiced their support for the development of the peace process, as well as their commitment to conduct this process in such a manner so as to meet people's expectations, are being held constantly.

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He added that approximately $970 million worth of foreign cooperation and $1.3 billion worth of domestic contributions are needed, according to preliminary estimates. Stein also has said foreign aid is not the only decisive factor, because the possibility of luring investors who will trigger a longer lasting economic process also plays a significant role. In addition, the country is trying to have its exportable production be treated proportionally and with enough reciprocity. The foreign minister has that said this would allow the combination of domestic savings and tax reforms with a set of resources and that this would do much more than what is expected to be received through cooperation.

Trip to Washington

As for his recent trip to Washington, Stein has said it was made to attend an informal meeting with donor countries and the president of the Inter-American Development Bank (IDB) to explain the progress the peace process has made and to analyze preferential issues pertaining to cooperation. A new meeting in Brussels, Belgium, in mid-November was agreed on. In addition to these donor countries, others from the EU will participate at the request of the IDB.

Meeting with the Norwegian Minister

The Guatemalan foreign minister made these statements following the meeting he held with Norwegian Developmental Cooperation Minister Kari Nordheim-Larsen, with whom he talked about the progress made in the negotiations on the peace process. Norway has pledged to Guatemala to be the site for one of the signings of the pending peace agreements and has referred to the explicit possibility of the Norwegian Government proposing immediate measures in order to include them in its budgetary cooperation expectations. In this regard, the Norwegian minister and Carlos Boggio, the UN High Commissioner for Refugees (UNHCR), today signed a cooperation agreement for 14 million Norwegian krones ($2.137 million) to support the uprooted Guatemalans who are returning to their land.

This contribution by the Norwegian government will be allocated to support production activities, to offer basic services and build infrastructure, and to promote other reintegration activities in northern Quiche, Huehuetenago, Peten, and Alta Verapaz Departments, where it is estimated that approximately 16,000 Guatemalan refugees will return in the next few years.

Since the mass return process started in 1992, the Norwegian Government has donated more than $7 million to support UNHCR operations both in Guatemala and Mexico. It was stressed that Norway with this new contribution confirmed its support for the Guatemalan refugees, uprooted people, and the peace process.

Guatemala: Foreign Minister on Lawsuit Against EU at WTO

PA2906011796 Guatemala City LA REPUBLICA in Spanish 26 Jun 96 p 7

[FBIS Translated Text] Foreign Minister Eduardo Stein has said a new batch of recently declassified documents will arrive in a few days and added that the lawsuit at the WTO against the European Union's discriminatory banana quotas does not hurt the EU's assistance program to Guatemala.

The foreign minister has said he was informed recently that in a few weeks the U.S. State Department will make available some additional declassified documents dating back a few years, probably from the 1990's onward, from the CIA. He added that those documents have been classified for years and not on a case by case basis, so it is difficult to establish which specific situations they mention.

As for the lawsuit over the EU's discriminatory banana quotas Guatemala is filing simultaneously with other countries at the WTO, he has said it does not hurt existing and future aid from this organization, because they are keeping the two issues separate.

In this regard, he has said this does not affect the recent decision by the European Parliament in Strasbourg to grant Central America the same tariff preferences as the Andean Pact countries.

Guatemala: Peace Group, URNG Agree To Strengthen Organs

PA2906012396 Guatemala City SIGLO VEINTIUNO in Spanish 25 Jun 96 p 5

[FBIS Translated Text] During the recent round of talks on the Strengthening of Civilian Power and the Army's Role in a Democratic Society, the government's Peace Commission (Copaz) and the Guatemalan National Revolutionary Unity (URNG) agreed to strengthen local civilian institutions as the first step toward the negotiation of this issue.

According to a government source that has preferred to remain anonymous, during the next round of talks, to be held during the first half of July, they will discuss at length the strengthening of democratic institutions in the hands of civilians. The issue will include the municipalities, public prosecutors' offices, and any institution directly associated with the community and close to the people.

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It was stated that the democratization of these institutions will result in the strengthening of the civilian population insofar as the people have access to more efficient government organizations. It was stated that this also involves the people's participation, which will include opportunities granted to them through the Development Councils, Open Town Councils, and Department Governments.

It was stated that the first phase of the negotiation will seek all the components that allow civilian society to prevail in the adoption of decisions, so basic changes can be expected to guarantee the communities' participation in all the various government organizations.

Guatemala: Minister 'Annoyed' Over Human Rights Criticism

PA2906170196 Guatemala City Televisiete Television in Spanish 0400 GMT 28 Jun 96

[From "Channel Seven News"]

[FBIS Translated Text] Government Minister Rodolfo Mendoza was very annoyed by the series of criticisms made by human rights groups against the operations to arrest kidnappers.

[Begin Mendoza recording] It is very easy to make these accusations without grounds. If there are grounds let them come forward. If they have evidence, let them show it. As for human rights violations during arrests, we have arrested 80, 90, perhaps 100 persons accused of kidnapings. They are now facing a legal process. I believe the police have acted with the proper use of force.

I believe all Guatemalans must understand that when we set out to rescue an abducted person in the hands of armed people, we cannot go there with handkerchiefs. We are not going there to pick up Mother Theresa. They are kidnapers. These are people who have buried children in the wilderness. These are people who have chopped off people's fingers in cold blood. These are people who do not hesitate to fire on security forces.

In this entire process in which we are now living, we have sustained more than 45 casualties at the National Police, including several deaths. I would rather ask: Who is concerned about the human rights of our policemen? Do these human rights people speak out when our policemen are shot dead from behind out on the streets while carrying out their duties? When it comes to criminals, however, they immediately jump.

I believe the police are giving clear signals that they are acting in a correct manner, not only in rescue and eviction cases, but in all other actions taken by the police. The police have taken the correct action. We have not received the same treatment from other parties. We have lost men. We, Guatemalans are clear that we are not dealing with kids or with first communion children. We are dealing with criminals.

The police cannot go around unarmed just waiting to be killed. They must, in fact, prevent criminals from killing citizens and, of course, policemen. [end recording]

Government Minister Mendoza said the death penalty should be applied to kidnapers and asked that it be applied in all cases.

[Begin Mendoza recording] I believe the death penalty should be applied to kidnapers. The penalty was already established in Guatemala before the San Jose Pact was signed. The only thing that has been done in recent years has been to expand the grounds for the application of the death penalty; however, the death penalty was already established for kidnaping cases. I believe societies and countries must pass legislation based on their realities. In my opinion, the death penalty should be applied for all kidnaping cases in Guatemala. [end recording]

The official talked about the report issued by the CACIF [Coordinating Committee of Agricultural, Commercial, Industrial, and Financial Associations], which stated that at least 140 businessmen have been kidnaped in the last eight months.

[Begin Mendoza recording] It is a good thing they made it public, and we hope it will not be seen simply as a cold figure and hope it is an effective effort to cooperate. I believe it is the duty of Humberto Preti, chairman of the CACIF, now that he has given us figures, to make an effort to get all the persons he says he knows to enrich our investigation efforts with their information. What I have done is send him a letter asking him to provide us with the information, given that he has the list with all the victims. [end recording]

Guatemala: Narcotics Operations Department Established

PA2906191596 Guatemala City SIGLO VEINTIUNO in Spanish 28 Jun 96 p 5

[FBIS Translated Text] The Narcotics Operations Department (DOAN), which will be under the Treasury Police, was officially established on 26 June when President Alvaro Arzu and Interior Minister Rodolfo Mendoza signed the government agreement.

This agreement, which the official newspaper will publish soon, establishes that this institution will be headed by a chief and deputy chief whose duties, among others, will be to collect, analyze, classify, and record any information related to drug trafficking.

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They are tasked with exchanging information with national authorities and with international institutions or organizations involved in counternarcotics operations, and with drafting strategies and actions to fight this crime.

These officials must also draft and execute training plans in the counternarcotics field for personnel of the Treasury Police and of other civilian security corps. The DOAN will conduct investigations in order to fulfill its duties.

Article 4 of government agreement 228-96 establishes that the Treasury Police's director general will determine DOAN's administrative structure and the personnel, and for this purpose, he will establish its by-laws.

Guatemala: Possible Reaction to Capital Punishment Viewed

PA2906201496 Guatemala City PRENSA LIBRE in Spanish 28 Jun 96 p 3

[FBIS Translated Text] Foreign Minister Eduardo Stein Barillas has ruled out Guatemala's withdrawal from the San Jose Treaty in view of possible mass death sentences. He added the farthest the country could go is to consult the OAS Inter-American Juridical Committee about the possible repercussions of the application of the death sentence in our country.

Stein said he favors the opening of discussions within Guatemalan society on the advisability of applying capital punishment. This would be a task of the judicial bodies, he noted.

As for the possibility of consulting the OAS on whether the application of the death sentence on kidnapers would violate the San Jose Treaty, Stein pointed out this idea has not been considered, but added that consulting the Inter-American Juridical Committee about this matter would be most advisable.

Foreign Minister Stein admitted that applying the death sentence to kidnapers would have negative repercussions at the diplomatic level, but he could not say whether contributions for the fulfillment of the peace agreements would be affected also.

It would not be safe to say whether the death sentence would discourage contributions to the peace agreements, but we expect those coming from human rights organizations to be affected, Stein added.

Nicaragua

Nicaragua: FSLN's Ortega Rules Out Confrontation With U.S.

PA2806231796 Panama City ACAN in Spanish 2311 GMT 26 Jun 96

[FBIS Translated Text] Managua, 26 Jun (ACAN-EFE) — Daniel Ortega, presidential candidate for the Sandinist National Liberation Front (FSLN) and former Nicaraguan president, stated today that "the danger of a confrontation is nowhere in sight" with the United States if his party wins the upcoming elections.

In statements to the press, Ortega said that the 20 October elections "will be decided" between the FSLN and the Liberal Alliance, whose presidential candidate is attorney Arnoldo Aleman, a former mayor of Managua.

According to the Sandinist leader, who was the visible head of the FSLN government between 1979 and 1990, the danger of a U.S. blockade to Nicaragua if the FSLN wins is also nowhere in sight.

"The United States has modified its position toward Nicaragua and this helps us fight off the attacks of our political adversaries," Ortega said.

The former Sandinist president returned at the beginning of this week from a tour of Arab countries and Cuba. There he met with private business leaders to encourage them to invest in Nicaragua under a future Sandinist government.

Regarding the challenge presented at the Supreme Electoral Council against his candidacy, Ortega said that it will not progress "because it is irrational and senseless."

Moises Hassan, presidential candidate for the Renovating Action Movement [MAR], questioned Ortega's candidacy with the argument that the Sandinist leader "enriched himself excessively and illegally" when in power.

Nicaragua: Ex-Rebels Said Planning To Sue U.S. Government

PA3006041696 Managua Radio Sandino in Spanish 1200 GMT 27 Jun 96

[From the "What's Happening" newscast]

[FBIS Translated Text] Miami's EL NUEVO HERALD newspaper reported on 26 June that former Nicaraguan counterrevolutionary leaders plan to sue the U.S. Government for millions in compensatory damages for the relatives of the more than 1,000 who died and the 15,000 who were disabled during the war that the administrations of former Presidents Ronald Reagan and George

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Bush sponsored. Luis Moreno — the man known within the counterrevolution as Mike Lima, who lost an arm to a Sandinist bullet — argues: We suffered the deaths, the United States merely supplied the bullets; we risked our lives to defend our ideas, the United States supplied the weapons to defend its interests. Moreno will file suit against the U.S. Congress before the end of June, suing the the United States for compensatory damages for disabled contras and for the widows and orphans of those who that country sent to fight in Nicaragua.

Nicaragua: Roundup of Electoral Developments

PA3006154196

[FBIS Report] The following is a compilation of reports on developments leading up to Nicaragua's 20 October 1996 elections monitored through 29 June.

Christian Democratic Union Deputy Azucena Ferrey has warned that the Supreme Electoral Council (CSE) magistrates could be removed if they are unable to resolve the controversies brought on by the grammatical interpretation of constitutional Article 147. The differences stem from the interpretation of the constitutional limits on a presidential candidate's blood relationship and affinity to the current president. (Managua LA PRENSA in Spanish 23 June 96 pp 1, 8)

Parrales Vallejos Cooperative President Carlos Palma Alvarado was officially appointed yesterday as the Sandinist National Liberation Front's (FSLN) election campaign chief for the Sixth District. Tomas Valdez has been elected as the second chief and the other members include Julio Rodriguez, Miriam Chavez, Cesar Moya, and Julio Jimenez. The FSLN's Election Campaign Commission in Managua is comprised of Bayardo Arce, Monica Baltodano, Carlos Jose Guadamus, Emiliano Martinez, Iris Montenegro, Edwin Castro, Felix Contreras, Orlando Pineda Flores, Manuel Urroz, and Henry Petrie Bejarano. (Managua BARRICADA in Spanish 24 Jun 96 p 7)

Reacting to accusations, Alvaro Robelo, presidential candidate for the Integrated Nicaraguan Alliance, has defended his registration at the CSE and his dual Nicaraguan-Italian citizenship by citing a 1917 treaty between Nicaragua and Italy that allows for dual citizenship. (Managua EL NUEVO DIARIO in Spanish 24 June 96 p 9)

FSLN presidential candidate Daniel Ortega returned to the country yesterday following a tour of Arab countries. Ortega will immediately join the FSLN's electoral activities, starting with the 29 June reenactment of the tactical deployment to Masaya. The FSLN candidate intends to lead thousands of Nicaraguans in a march from Managua to Masaya. (Managua BARRICADA in Spanish 25 Jun 96 p 8)

The CSE has issued a communique ratifying "its firm decision to abide by and enforce the Political Constitution of the Republic, the Electoral Law, related laws and their resolutions, regardless of any flattery, threats, blackmail, sympathy, or antipathy." The communique, dated 25 June, is signed by CSE President Rosa Marina Zelaya, Vice President Braulio Lanuza Castellon, Magistrate Roberto Rivas Reyes, Magistrate Alfonso Callejas Deshon, Magistrate Fernando Silva Espinosa, and Secretary Rolando Rodriguez Andino. (Managua LA PRENSA in Spanish 25 Jun 96 p 1)

CSE Magistrate Ciryl Omier categorically denied yesterday that he had signed documents authorizing a Taiwanese donation of 40,000 caps for Antonio Lacayo's National Project (Pronal) and Arnoldo Aleman's Liberal Constitutionalist Party (PLC). Omier confirmed he has only authorized the Liberal Alliance to import 50,000 stickers, 20,000 plastic glasses, and 45 umbrellas with the "Arnoldo 96" logo. The authorization also includes two used computers. (Managua EL NUEVO DIARIO in Spanish 28 Jun 96 pp 1, 2)

Esteli Bishop Juan Abelardo Mata has stated that the National Army is still not qualified to guarantee the protection and safety of the electoral process in the northern part of the country. He said troops sent to the mountains "frequently have the mentality of a conquering or occupation Army." Monsignor Mata rejected the role being played by the National Army, acting as Electoral Police for the ad-hoc registration in 26 northern municipalities; adding that people feel more at ease with armed groups than the National Army, which has earned "local residents' rejection." (Managua LA PRENSA in Spanish 29 Jun 96 p 3)

Panama

Panama: AUZLC Says U.S. Envoy Supports Group's Position

PA2806142696 Panama City LA ESTRELLA DE PANAMA in Spanish 28 Jun 96 p 1A

[Report by Ruben Dario Diaz]

[FBIS Translated Text] Nessim Bassan, president of the board of directors of the Association of Colon Free Zone Users (AUZLC), has confirmed that U.S. Ambassador William Hughes supports this business organization's position regarding the payment of income taxes, the deadline for which expires on 1 July.

Bassan announced that association members will hold an urgent general assembly this morning to discuss the

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tax problem, and he warned that they have not dismissed the possibility of adopting measures of force because the general public and the businessmen are worried about the government's failure to respond positively to their requests.

The AUZLC board members, led by their president, Nessim Bassan, met on 27 June with U.S. Ambassador Hughes to discuss the problems faced by businessmen at the free zone with regard to the payment of taxes, as well as other problems.

The business leader pointed out that Ambassador Hughes understood their concerns due to the mutual interests that exist at the Colon Free Zone.

Bassan said that he cannot say whether or not there will be a business strike at the Free Zone, because that will be decided at the general assembly today.

Nevertheless, he said that the businessmen have not lost hope that the president will respond in a positive manner by 1700 today.

"There is an emergency situation at the free zone and any solution is possible; therefore, whether or not changes are made is up to the president," Bassan said.

He underscored that the Colon Free Zone cannot endure any more and that it is no longer a matter of wanting or not wanting to pay, but of being able to pay.

Panama: U.S. Envoy, Free Zone Group on Trademark Forgery

PA2806164196 Panama City EL PANAMA AMERICA in Spanish 28 Jun 96 p E12

[Report by Carlos Vargas]

[FBIS Translated Text] Trademark forgery by Colon Free Zone companies is one of the aspects that concerns the United States the most regarding the free zone's operations, U.S. Ambassador William Hughes stated yesterday.

Nessim Bassan, president of the Association of Colon Free Zone Users (AU), disclosed that the ambassador made those remarks during a meeting he held yesterday with the business group.

"The aspects that concern the United States the most are brand forgeries and the need for a greater control to make the operations inside this zone honest," Bassan said at the conclusion of the meeting held at the U.S. Embassy.

After this meeting, it was agreed that Ambassador Hughes would visit the Colon Free Zone in a few days, the AU president added.

Bassan affirmed that the meeting was held in a cordial climate and that the new AU board members pledged to take measures to eradicate illicit activities in the Colon Free Zone.

The AU board told the ambassador about the problems businessmen are encountering on account of the tax measures adopted in the Law on Generalization of Tax Incentives.

Panama: President Views Campaign Funds, Antidrug Plans

PA0107032296 Santa Fe de Bogota Emisoras Caracol Network in Spanish 1415 GMT 30 Jun 96

[Interview with President Ernesto Perez Balladares by Guillermo Rodriguez Munoz at the Palace of the Herons in Panama City; date not given; from the "Person of the Week" program — recorded]

[FBIS Translated Excerpt] [Rodriguez] What is happening in the Republic of Panama after it was disclosed that narco-money entered the political campaign that took President Ernesto Perez Balladares, Toro Balladares, to the Presidency of that nation, which belonged to Colombia until 1903? What is the president's position on the so-called antidrug operation Laser Strike the United States is conducting in Panama? What are the president's views about the proposal made by his Colombian counterpart, Ernesto Samper, to build a canal along the Atrato-Truando route? What are the Republic of Panama's expectations regarding its relations with Colombia? What does the president of the Republic of Panama think about extradition? All these topics and others of interest will be covered in an interview granted to Emisoras Caracol Network by the Panamanian president, who has received us in his office.

Thank you for receiving us, Mr. President. What was your impression at the time when it was discovered that drug trafficking money entered the campaign that successfully took you to the Presidency of the Republic of Panama?

[Perez Balladares] First, I want to thank you for coming to Panama to interview me today; at the same time, I would like to send my greetings to all Colombians through you and Caracol.

I have not had the experience, thank God, but I believe this situation is similar to that of a man who learns his wife has been unfaithful. You feel hurt, deeply upset, and diminished, particularly because I was absolutely certain there had been no money from drug trafficking and because I had made a conscious effort—we all had made joint efforts—to prevent drug trafficking money from infiltrating my campaign. It is a feeling that is hard

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to explain, a feeling that as the hours and days go by strengthens my determination to confront this serious problem and face the consequences. This has redoubled my conviction and desire to fight and ensure that we will continue doing everything in our power to fight this problem. [passage omitted on Perez Balladares denying he had any knowledge of Castrillon Henao's ties to drug trafficking]

[Rodriguez] Mr. President, could those $51,000 have contributed or not to create an imbalance between your campaign and your main opponent?

[Perez Balladares] What difference could it make? In my campaign, which may have cost between $2.5 and $2.7 million, $51,000 would not make a difference between winning or losing. In addition, I must confess that the contributions collected for my campaign were more than enough. There was no shortage of funds. We would not have accepted that money had we known. In a situation of life or death in which we needed $51,000 so we would not lose, it would have come from my own pocket. I could have done that too, thank God. No, those funds were not absolutely necessary.

[Rodriguez] According to Panamanian newspapers, there will be more narco-checks. Is that true, Mr. President?

[Perez Balladares] We already know there are more. We learned yesterday that checks were issued to an opposition party. That check was for a smaller amount than what we received; that is, 10 percent of the original check we received. This check was for $2,000, but that party is also about 10 percent or less than 10 percent the size of our party. This man had a good idea of proportions when conducting his relations. [laughs]

I am certain more will appear. If you have the opportunity to give a contribution to establish ties for possible.... [pauses] To look good, what the Gringos call [words indistinct] with the future president, you would not put all your eggs in the same basket; you would bet all. That is why I say it would not be surprising to see checks linked with other candidates who could have won.

[Rodriguez] Are you willing to open all the windows—that is, the records, accounts, to review all the checks or whatever is necessary—to demonstrate that your campaign was clean?

[Perez Balladares] Yes, of course, and not only that. As you know, the legal process is being conducted by the attorney general, who is also a man who all his life has been a member of the Christian Democratic Party, an opposition party. Although we have friendly ties, as we have known each other for many years, even though that is not the definition of friendship, he is an independent man with a straightforward criteria. He has been conducting the investigations, and we are willing to cooperate with him in every way possible. In addition, we will be delivering to him next week a notarized list of all the individuals who contributed to my political campaign. I will be sending that list to the Electoral Tribunal. I am asking, however, that this list be opened and made public when the other parties do likewise. Although we are willing to give the attorney general all the information he needs for his investigations, I believe that because this subject is exclusively a political one, the Electoral Tribunal should have access to that information from all parties.

[Rodriguez] Mr. President, one undoubtedly has to mention our country. I have seen editorials in certain newspapers these days that have mentioned what here has come to be known as Samperization of the narco-scandal that has emerged in the Republic of Panama. Do you see any relation?

[Perez Balladares] Frankly, no. I cannot compare one case with the other. It would be making comparisons that are objectionable. Of course, I am very respectful of the dear Colombian people, and I respect President Samper, whom his people have elected. I can only talk about and explain what has happened to me. I cannot talk or explain what may have happened to President Samper or what he was accused of. I do not think it would be appropriate for me to make any comparisons between both.

[Rodriguez] Do you believe President Samper?

[Perez Balladares] I have no reason to doubt what he has told me and my colleagues; so the answer is yes.

[Rodriguez] Do you discuss this subject frequently? Have you talked about this topic by phone?

[Perez Balladares] No. The last time I talked with President Samper was about an alleged invasion from Panama to Colombia at the border. Do you remember?

[Rodriguez] Yes, Mr. President. I would like to discuss that topic later, but before that and going on with the same subject, do you believe the investigation of the narco-checks should continue no matter what?

[Perez Balladares] There is no doubt about that; that is my desire as a Panamanian more than as president. I believe the attorney general should continue the investigation to the degree he believes it is necessary, even if heads have to roll. I have absolutely nothing to cover up, hide, or protect, thank God. I only have to [word indistinct] to the Panamanian people, which is what I am doing. I am acting as [word indistinct] and openly as possible.

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[Rodriguez] With all respect, Mr. President, including the head of the president of the Republic?

[Perez Balladares] Including the head of anyone found guilty of knowingly accepting money from drug trafficking, including, of course, the head of the Republic.

[Rodriguez] What about those who are demanding your resignation?

[Perez Balladares] Those are people who could not beat me in the election [laughs] and now think a serious and difficult situation that all Panamanians should confront can be a tool of their political chicanery. A great majority of Panamanians, however, knows who is here; they know perfectly well how to differentiate between national goals and electoral, political chicanery. Those who are demanding that are petty politicians and are not good at that.

[Rodriguez] As the Spaniards say, nothing about resigning?

[Perez Balladares] Not at all. There is no reason to even suggest I could make such a decision.

[Rodriguez] Mr. President, discussion of this issue has shown that Latin American countries and [words indistinct] should revise their structures to prevent this matter from occurring again.

[Perez Balladares] It is a dream to think one can prevent this from happening again. What we should have is the integrity and determination to disclose this matter should it happen to us, and, of course, we should adopt the precautionary measures we can, but I ask you, what countries of the world, not of the Andean Group or Latin America, are free from seeing their democratic, political campaigns from being infiltrated, as was the case with ours, by ill-gotten funds and not only funds from drug trafficking but also from other sources? Do you think for example, the United States, which is viewed as the champion of Western-style democracies, is immune to contributions from people or corporations involved in illegal activities? Of course not. The same applies to Europe. In other words, there is truly no way or means to prevent this occurrence. What we should have is the resolve to report and fight this should it happen.

[Rodriguez] Could state financing of parties be a solution? Does the state finance political parties in Panama?

[Perez Balladares] No, the state does not finance political parties. They are self-financed. That could be a solution, but it involves a very high cost. Our countries, which have thousands of needs and few resources, would have to divert funds that could be better used to meet the needs of the people, such as health, education, housing, and so on.

[Rodriguez] The truth is, however, that narco-dollars exist, and as Monsignor Pedro Rubiano, president of the Colombian Bishop's Conference, would say: The elephant has entered but you did not see it.

[Perez Balladares] No, I did see it and reported it. [laughs] I saw the elephant, and reported it as soon as I did, and the evidence rests at the Attorney General's Office for the entire world to see. I have said there unfortunately has been drug trafficking money here. I regret having to swallow my own words, because I was convinced there was none, but having convinced myself to the contrary, I swallowed my words, admitted there has been an infiltration, and demanded an investigation. Thus, I did see the elephant and reported it.

[Rodriguez] [Words indistinct] expel it anyway?

[Perez Balladares] I am determined to expel it at all costs and by all means.

[Rodriguez] Is $1, $51, $51,000 or $100 equally painful for the Republic of Panama and for Ernesto Perez Balladares, Mr. President?

[Perez Balladares] Of course. The fact is what counts, not the amount. Prostitution, no matter how little is charged, is not a lesser crime; it is still wrong.

[Rodriguez] But there is serious evidence that other parties, besides the ruling party, received drug trafficking money.

[Perez Balladares] As I said before, another party has admitted this. It has the evidence, and it was turned over to the attorney general. This party has admitted there were contributions to its political campaign from the same group of companies. I urge others to make a conscientious and profound examination of their finances to ensure there will be no surprises.

[Rodriguez] The bottom line here, Mr. President, is what you said, because anyone could try to sell his soul to the devil. The bottom line is, Mr. President, whether any facilitation ever took place during your political campaign to allow the entry of that money. Has this happened?

[Perez Balladares] No. I can speak for my campaign and administration. Absolutely not. The proof is that the person who made that contribution is locked up in jail. He is complaining of unfair treatment in jail. He is not enjoying the amenities of a luxury hotel in jail. For over a year, my administration has conducted undercover investigations with my direct and exclusive authorization; thus, I deny any kind of facilitation, services, negotiations, or agreements, because the facts speak clearly.

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[Rodriguez] Do you support extradition as a way to counter drug trafficking?

[Perez Balladarez] Personally, I do. I would like to refrain from meddling in Colombia's internal affairs, because I respect and have great affection for that country, so I will refrain from voicing any type of opinion about issues that do not concern me, but in my case, I do believe so. I think we are countries that [words indistinct] it now costs us to have this man in our custody, to provide him with protection, and to keep him from getting sick. God forbid his getting killed in jail, because people will assume I murdered him. I hope he does not try to escape and die trying, because people will believe I killed him. Anyway, do you have any idea of what it costs us poor nations to do that? We must punish him, but we also have extremely long, complicated, judicial and legal systems. I would be relieved if the United States claimed him, flew him away, tried him, and assumed responsibility for him. It is a very rich country and has the resources to do so. It would allow us to invest our few resources in more productive matters, such as education.

[Rodriguez] Would you consider a Colombian request for extradition?

[Perez Balladares] We have a treaty with Colombia whereby those who have been tried and convicted can serve their sentences in either country. In terms of the treaty, which Panama has approved but which is pending approval by the Colombian Congress, we would certainly fulfill our international commitment if a request were made that holds true to the spirit of the treaty.

[Rodriguez] Do you fear this man might, as they say in those [word indistinct] terms, speak out? Do you fear he might speak his mind and say what and how he financed whatever and what he sought?

[Perez Balladares] I hope the attorney general will make him confess everything. I hope he truly says everything. I am certainly not afraid, quite the contrary.

[Rodriguez] We would like to ask you the following here on this week's "Person of the Week" program on the Caracol Network. What truth or lie is there to reports that an attack on Colombia is being orchestrated from within Panamanian territory under the guise of attacking guerrillas or drug traffickers along the long, common, Darien border, which is a jungle area?

[Perez Balladares] No, we have never known of or heard about any U.S. military presence along the border with Colombia, with or without our consent. I honestly do not know the origin of such reports, which have caused quite a stir in Colombia and even have prompted a telephone call from my colleague, Samper. I have assured him the reports were baseless. We do have a border police that specializes in border affairs and tries to fulfill a difficult mission with scarce resources and little support in the dense jungle, rough area along the border. Given the circumstances, however, it seems to me [words indistinct] the occasion with the Colombian Government to prevent that from degenerating into conflict.

[Rodriguez] And is it to be understood, Mr. President, that Panamanian soil would never be used or allowed to be used to attack Colombia?

[Perez Balladares] Certainly not, absolutely not. You can rest assured about that.

[Rodriguez] The Clinton administration has never requested that?

[Perez Balladares] It has never even suggested such an idea.

[Rodriguez] What was the scope of the recent operation dubbed Laser Strike?

[Perez Balladares] It was an operation to interdict drugs using sophisticated airplane equipment and was carried out with the cooperation of various governments, as you said. The purpose of the operation was to interdict flights carrying drugs. It was one of the normally scheduled operations originating from this Air Force base. It could be the type of operations we could carry out jointly as a continental effort beyond the year 2000.

[Rodriguez] Are any U.S. troops involved?

[Perez Balladares] The crew flying the aircraft are U.S. soldiers.

[Rodriguez] Duly authorized and approved by the respective countries?

[Perez Balladares] Correct. In addition, it is my understanding that representatives from the various countries will be involved in the flights, or these representatives will be monitoring events from the ground.

[Rodriguez] What is the objective of the operation? To capture sea vessels, crops, or.... [pauses]

[Perez Balladares] Not so much to detain but, rather, also to identify. As for those aircraft in flight, the objective is to track them so we can uncover the aircraft's destination and advise the appropriate authorities.

[Rodriguez] Do you believe that is an efficient approach to the struggle against drug trafficking?

[Perez Balladares] It is a matter of interdiction, one of the many available. Personally, I believe it is an extremely costly interdiction approach. Each flight must

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cost the United States, the country which pays for it, a significant amount of money. I also believe it is evidence of the level of.... [pauses] Let's not say desperation but, rather, mostly concern this issue has elicited.

[Rodriguez] Has there been any shadow of a doubt about the return of the Canal Zone to the Republic of Panama by the end of this century?

[Perez Balladares] None whatsoever. I would like to say something to you. Strictly speaking, we acquired sovereignty as of the signing of the Torrijos-Carter Treaties in 1977, which went into effect two years afterward. What we are about to do now, considering that it belongs to Panama now, is to improve our ownership of the Panama Canal and, of course, its administration. At any rate, Panama always has been sovereign inside the Canal Zone, but Panama began exercising its sovereignty in the Canal Zone as of 1977.

[Rodriguez] What became of your proposition to extend the presence of some U.S. personnel beyond the year 2000?

[Perez Balladares] This issue is closely associated with one we were just talking about; that is, the likelihood of opening a continental center for the struggle against drug trafficking. The other reason is that the United States may be interested in maintaining some presence here in this country. The United States so far has not stated any other justification but the struggle against drug trafficking; therefore, there would be no other reason to encourage or petition for an extension of the U.S. presence in Panama.

[Rodriguez] Certain U.S. legislators have melodramatically postulated that Panama is not prepared to independently manage the Canal. What can you say about this position?

[Perez Balladares] Have you read a book entitled "Manual of the Perfect Latin American Idiot," which carries a prologue by Mario Vargas Llosas?

[Rodriguez] Yes I have, because there is a compatriot of ours who.... [laughs]

[Perez Balladares] Yes, that is right; he is a compatriot of yours. [laughs]

[Rodriguez] Patino.

[Perez Balladares] Correct. [laughs] It is critical for all of us to overcome misconceptions such as those.

Panamanians occupy nearly 93 percent of the Canal labor force. The remainder of the 7 percent are mostly administrative positions occupied by U.S. personnel, and there is an abundant supply of qualified Panamanians who are prepared to fill these positions. As for that 7 percent I mentioned, we are even in a position to offer, as we have already announced, employment to those workers from other countries, even from the United States, who are still working with the Canal by 1998 and who are still interested in staying after the year 2000. We foresee no reason why they should not remain. We see no problems whatsoever; on the contrary, we have fully demonstrated that we are qualified to manage the Panama Canal even if the technology involved is early 21st century.

I am aware that such a concern does exist not only as part of the Perfect Latin American Idiot context [laughs] but that it also stems from Canal users themselves. It is perfectly understandable; this is particularly so when one takes into account the fact that the world's leading economic and military power has been involved in the management of the Canal since its construction and that it will be managed now by a small, unprosperous country as ours; nevertheless, we are seeking to minimize the likelihood of apprehensions. I am referring to concern.... [pauses].

One of our plans includes organizing a Universal Congress of the Panama Canal, which is scheduled to take place in September 1997 here. During this congress, we intend to objectively elaborate on our capability and to fully discuss issues about the future of the Panama Canal with whatever country and firm is interested in this issue. We seek to clarify any misgivings about our ability to continue operating the Canal as efficiently as it is being operated.

[Rodriguez] [Words indistinct] more or less is that the Canal is about to become outmoded? Did you find the Colombian Atrato River project unveiled recently by President Samper to be an ambitious one, or, frankly speaking, did Panama not view it as anything of note?

[Perez Balladares] I will be perfectly honest. I believe it would be more effective and practical, from the financial point of view, to increase any traffic through our canal rather than through any other alternative. If we are going to receive a canal without having to invest anything.... [pauses] In other words, we have only to cover operation costs and future investment costs; other than that, we have nothing else to repay regarding financing. You cannot imagine what a new canal costs; you cannot imagine the financing involved in such a project. Can you imagine who is going to repay that financing? Canal users. If it is an option to the Panama Canal, then we are more than willing to compete [words indistinct].

[Rodriguez] You have been very respectful toward issues pertaining strictly to Colombia. Do you believe it would be preferable for Colombia not to attempt to bite off more than it can chew?

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[Perez Balladares] [Laughs] No way. I would never dare recommend something such as that. I would suggest that the decision be assessed carefully, because, I reiterate, [word indistinct] such as ours with zero financing can compete with a very low toll rate against any alternative; in this regard, we are not only referring to the Colombian option, because there also has been recent talk about a Nicaraguan alternative. Of course, every country is sovereign to do whatever it wants and sees fit with its resources, assets, and money; therefore, I would never make a recommendation about what the Colombians or Nicaraguans should do. I am only saying that the issue should be assessed carefully, considering that our Canal already has a zero financing and that we are prepared to compete by offering much lower rates.

[Rodriguez] Would you instead invite Colombia to take part in any future expansion of the Canal?

[Perez Balladares] [Laughs] Of course. It would be my pleasure. We.... [pauses] In fact, that issue is one we intend to propose during the 1997 Universal Congress. We intend to promote discussions about the possibility of expanding the Canal to accommodate not only a greater volume of traffic but also to ships that are unable to transit the canal due to their depth and size. Presently, ships greater than 100,000 or 110,000 tonnes are unable to transit the Canal. At this time, as you are well aware, the PANAMAX measurement, which is a combination of depth, length, and width that adds up to approximately 67,000 tonnes, is a factor that limits transit through the Canal. There also is the prospect of building a third set of locks to accommodate larger ships at a more reasonable cost rather than dealing with the cost of building another level of locks or a canal alternative either in Colombia or Nicaragua. [passage omitted]

I reiterate that I see no need for another canal. Things are built because they are needed not because we would like to have them. If I want to have something over and above anything else, then we are now talking about a whim. If the objective is to ensure an increase in the amount of traffic transiting the Canal, then let us determine where it would be more efficient to ensure this objective and not fall prey to whims and fancies simply because this is my river or my country. [passage omitted]

Panama: President Says Opposition Filled With Money Launderers

PA2906151896 Panama City LA PRENSA in Spanish 28 Jun 96 p 5

[Report by Hermes Sucre Serrano]

[FBIS Translated Text] The opposition parties that are now "rending their garments" and boasting of purity are filled with money launderers and people outside the law, President Ernesto Perez Balladares said last night during a (birthday) tribute in his honor in San Miguelito.

Referring to the checks alleged drug trafficker Jose Castrillon Henao donated to the Democratic Revolutionary Party (PRD), the president noted that "this must be a lesson that should unite us against the harmful influence of drug traffickers and money launderers."

He admitted that acknowledging he received "laundered money" was one of the most anguishing situations of his life. "I side with the 99.9 percent of my party members who have nothing to do with money laundering," he said, adding that he now feels he has greater integrity to face the country's enemies.

The president, who is also the PRD secretary general, made those statements during a political function his fellow party members held in San Miguelito. PRD National Executive Committee (CEN) members, legislators, and community leaders attended the birthday tribute.

Perez Balladares denied there is an international campaign to discredit his government and attributed the reports in prominent newspapers on the use of dirty money in his 1994 political campaign "to freedom of the press, which you advocate so strongly and we support."

He noted that this freedom of the press must serve as a permanent warning to make an additional effort and be more careful regarding mistakes, such as the one that is hurting the image of the PRD and other political parties.

In addition, legislator Balbina Herrera stressed that despite all these problems the PRD is currently the best example of unity. "In our party there is no room for divisions, because we have our sights set on 2000," the former mayor of San Miguelito told hundreds of local leaders.

Panama: President on Political Cost of Drug Tainted Campaign

PA0107042596 Panama City LA PRENSA in Spanish 29 Jun 96 p 2

[Report by Manuel Alvarez Cedeno]

[FBIS Translated Text] President Ernesto Perez Balladares admitted yesterday he is paying a high "political

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cost" for revealing that his 1994 presidential campaign was tainted by drug barons, but he assured the price is small compared to what the country would have paid "had we not acted honestly" on this matter.

Perez Balladares has announced his political campaign was tainted by two "narco-checks" totaling $51,000 from a company linked to alleged Colombian drug trafficker Jose Castrillon Henao. This has sparked harsh criticism from the opposition sectors, which have even asked for his immediate resignation.

During the presentation of a document on the National Strategy on Drug Related Matters [Estrategia Nacional en Materia de Drogas — ENMD], Perez Balladares acknowledged "I have paid a price for deciding to disclose that dirty money infiltrated my political campaign."

The president presented the ENMD document to Raquel Magri, director of the UN Program on the International Oversight of Drugs for Mexico and Central America, during a ceremony at the presidential palace.

According to Perez Balladares, the political price he has paid "is small compared to the price the nation would have had to pay had we not acted with honesty and determination on a matter of such magnitude," adding that "political costs are comparable to assets. Spiritual values have no quantifiable antithesis. One can always find ways around legal restrictions, but moral convictions cannot be housed under subterfuges."

The president has said the ENMD has turned the personal decisions of Panamanians into real actions, and its imperfections are the result of an intense resolve rather than the lack of purpose.

Perez Balladares has assured that no country can confront the drug cartels alone, but it does not mean "we should keep our arms crossed" as long as a real, concerted, international effort is lacking.

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Argentina

Argentina: Attack on U.S. Soldiers in Saudi Arabia Viewed

PY2906000696 Buenos Aires LA NACION in Spanish 28 Jun 96 p 8

[Editorial: "Bloody Terrorist Attack"]

[FBIS Translated Text] For the second time in seven months, a terrorist attack has killed people at U.S. military facilities in Saudi Arabia. A car bomb exploded on 13 November at a training center in Riyadh, killing seven people — five of whom were U.S. citizens. In April, the Saudi authorities identified the four perpetrators of the attack as members of an extremist Islamic group, and sentenced them to death. In Saudi Arabia, death sentences are by decapitation.

Another powerful bomb, inside a tanker truck, exploded on 25 June in a residential area of an Air Force base near Dhahran that is cooperating in the air blockade on Iraq, killing 18 U.S. citizens, injuring another 160 people, and destroying various buildings.

President Bill Clinton expressed anger over this incident and emphasized that the perpetrators of this new terrorist attack will not go unpunished. It is believed this second attack comes in retaliation for the capital punishment applied to the perpetrators of the 13-November bombing.

The two attacks confirm that this sinister Islamic terrorism, with its various trends, still represents a terrible threat and that while this threat remains alive it is impossible to enhance peace and security in the Middle East.

The governments of Arab nations committed to the struggle against terrorist fundamentalism have to join efforts and implement strong measures to neutralize the offensive capacity of extremist groups and deliver their nations from these deplorable strongholds of fanaticism and insanity.

Joint actions involving western powers and Arab governments and nations interested in promoting regional modernization and progress will lead to the defeat of these promoters of violence and prevent terrorism from claiming more lives.

Argentina: Menem Says Venezuela, Others May Join Mercosur

PY2806160096 Buenos Aires TELAM in Spanish 1522 GMT 26 Jun 96

[FBIS Translated Text] On 26 June, President Carlos Menem did not rule out the possibility of Venezuela, Ecuador, and Peru joining Mercosur [Common Market of the South] in the future. He noted that a proposal to promote a "continental" integration process is already under way.

Menem told Radio 9.90 that "there is a chance of more joining" Mercosur, and then mentioned that "Venezuela, Ecuador, and Peru" are among the countries that could join the regional bloc.

Menem recalled that "a couple of years ago in Miami we signed an agreement to establish a free trade zone ranging from Alaska down to Tierra del Fuego. Therefore, the agreements [that Chile and Bolivia signed with the Mercosur member countries on 25 June] fall within a broader proposal, that is, the Initiative of the Americas.

He pointed out that "basically, progress is also being made on this other front that will include the entire continent. As (late President Juan Domingo) Peron used to say, a proposal to promote continental integration is fully under way.

Menem said: "I have raised this flag inspired by Peron's teachings regarding Latin American integration and the proposal to turn Argentina into a bioceanic country."

Peron said: "Argentina belongs to the Pacific, Chile to the Atlantic, and now not only Argentina but also Brazil, Uruguay, and Paraguay are supporting our efforts to improve the possibilities of growing with dignity in this part of the American continent."

Menem noted "the great significance" of the support given by the Mercosur members countries to the Argentine claims for sovereignty over the Malvinas [Spratly] Islands.

He said: "It was hard to imagine a declaration of such a magnitude 10 years ago because of the many problems we have overcome during the past six years" in the region. He also pointed out the significance of the clause on the respect for "the democratic system we have chosen."

Menem finally stressed that the democratic clause says that "if any of the Mercosur member countries disrupts the constitutional order, it will immediately be excluded from this juridical geographic space we are creating."

Argentina: Polls on Buenos Aires Mayoral Elections Noted

PY2906000296 Buenos Aires LA NACION in Spanish 28 Jun 96 p 15

[FBIS Translated Excerpt] The standings of the UCR [Radical Civic Union] and Frepaso [Front for a Country in Solidarity] in the upcoming [Buenos Aires mayoral] elections have been confirmed.

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Polls conducted for LA NACION by Estudio Mora y Araujo, Noguera and Associates, Catterberg and Associates, and Ricardo A. Rouvier and Associates confirm trends that have been reported over the past few weeks.

Mora y Araujo's poll, which was completed yesterday, shows UCR candidate Fernando De La Rua will get 44 percent, Frepaso candidate Norberto La Porta will get 26 percent, PJ [Justicialist Party] candidate Jorge Dominguez will get 19 percent, and New Leadership candidate Gustavo Beliz will get 11 percent. [passage omitted]

Catterberg and Associates, a company that conducts polls for the UCR, confirm these projections.

Of the 800 people polled on 21-26 June, 35 percent would vote for De la Rua; 22 percent for La Porta; 16 percent for Dominguez; 7 percent for Beliz; and 15 percent claim they still don't know.

A poll conducted on 24-27 June by Ricardo A. Rouvier and Associates involving 960 people shows De la Rua would get 40.5 percent, La Porta would get 27 percent, Dominguez would get 18.2 percent, and Beliz would get 10.6 percent. The Rouvier poll did not contemplate the 'don't knows.' [passage omitted]

Argentina: Cavallo, Barra Argue Over Trials Against State

PY2906034996 Buenos Aires GAZETA MERCANTIL LATINOAMERICANA in Spanish 23-29 Jun 96 p 3

[Report by Ricardo Rivas in Buenos Aires]

[FBIS Translated Excerpt] A new crisis has developed within the cabinet of Argentine President Carlos Saul Menem over the payment of about $16 billion by the Argentine state to those who, for various reasons, have filed 214,407 lawsuits against it. This huge amount "which the government will have to pay sooner or later" prompted Justice Minister Rodolfo Barra to promote a bill to indemnify those who, for some reason, have filed a lawsuit.

The bill, which has been approved in the Argentine Senate, was supported by Minister Barra. This support caused Economy Minister Domingo Cavallo to argue with his colleague. They gradually raised their voices until Barra openly stated that "Cavallo misses the military life," recalling that the economy minister served as a government official under the past military dictatorship.

The exchange between the two ministers has broken the calm that President Menem managed to achieve among his men following Cavallo's latest accusations of "mafias embedded within the executive branch." Cavallo made these accusations while being questioned by Congress. [passage omitted]

Bolivia

Bolivia: Defense Head Links Ex-Minister, Argentine Arms

PY2906022496 La Paz PRESENCIA in Spanish 18 Jun 96 p 8

[FBIS Translated Excerpt] At a Senate plenum yesterday, Defense Minister Jorge Otasevic proved that former [Defense] Minister Hector Ormachea was aware of the purchase of arms from Argentina, as Ormachea was the one who delayed the purchase of war materiel, arguing that the required funds were unavailable.

Otasevic reported on the investigations conducted into the case involving an attempt to purchase arms from Argentina worth $51.6 million.

Among the documents presented by Otasevic is a letter, dated 18 March 1991, sent by former Defense Minister Hector Ormachea to Argentine Military Industries President Nicolas Agramillo Ocampo, asking him to delay the purchase of the arms because an application for an IMF loan had been rejected.

The letter contradicts the remarks that the former defense minister made to Bolivian Ambassador to Spain Javier Campero in a letter. Ormachea told Campero that he was completely unaware of the negotiations on the purchase of arms from Argentina, let alone the existence of a Final Destination Certificate.

Otasevic presented to the senators the Final Destination Certificate, signed by former Defense Under Secretary General Rolando Arzabe Clavel, and the agreement signed on 10 August 1990 between Cofadena [Armed Forces National Development Corporation] President Augusto Sanchez Valle and the Argentine Military Industries representative.

Otasevic also presented an application filed by then Army Commander General Guido Sandoval, dated 16 January [1990], merely soliciting the purchase of 40 of the 65 items [preceding word in English] included in the agreement between Cofadena and Military Industries.

Otasevic pointed out that the Final Destination Certificate is a very important document. The country or company selling arms uses this certificate for confirming the final destination of the arms that are being sold. Therefore, the Final Destination Certificate represents the last step before the implementation of a sales operation.

After a one-hour explanation, the minister reported the outcome of the investigations, emphasizing that the arms

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were not purchased and that former Defense Minister Hector Ormachea was aware of the negotiations conducted. [passage omitted]

Bolivia: Free Trade Zone With Chile Urged

PY2806153296 La Paz Radio Cadena Nacional Network in Spanish 1100 GMT 28 Jun 96

[FBIS Translated Text] Bolivia is determined to begin negotiations on a free trade zone with Chile, similar to that agreed on with Mercosur [Common Market of the South] member countries, if President Eduardo Frei shows political willingness to discuss the maritime issue [on Bolivia's request for access to the ocean].

Integration Under Secretary Victor Rico voiced this position during a joint news conference granted along with the foreign minister to explain the scopes of the agreement reached with the bloc comprising Argentina, Brazil, Uruguay, and Paraguay.

Bolivia: Coca Eradication Targets in Chapare Exceeded

PY2806113996 La Paz LA RAZON in Spanish 18 Jun 96 p A3

[FBIS Translated Text] The government hopes to conclude its illegal coca crop eradication program for the first half of this year with a 300-hectare surplus over the targeted 3,000 hectares.

Minister of Government Carlos Sanchez Berzain optimistically made this announcement upon returning from the Chapare, where he spent the weekend to supervise the status of the alternative development programs.

According to Sanchez Berzain, the program is designed not only to eradicate and to indemnify coca growers, but also to ensure that the implementation of the alternative development program pursues the established programs and agreements.

The minister of government was pleased to confirm the bid process and commencement of the construction of five bridges through the Alternative Development Program.

During his visit, Sanchez Berzain also confirmed the gradual implementation of programs to develop pineapple, palm tree, and banana seedlings through various institutions that support this type of program.

By way of describing the success achieved by these programs, Sanchez Berzain reported that two million more pineapple seedlings than the number targeted for this year have been purchased.

As for the "Chapare tea" growers, Minister Sanchez Berzain indicated that they would increase their production by 100 hectares this year as compared with last year.

Bolivia: News Summary for 27 Jun

96CA0224A (Internet) Bolivian Social Communications Ministry WWW in Spanish 27 Jun 96 Morning Edition

[From the Computer Services Network of the Bolivian Social Communications Ministry http://utama.bolnet.bo:80/mcs/matind.htm]

[FBIS Translated Excerpt] [passage omitted]

Front Page News Briefs [passage omitted]

Battle Over COB Control

The decision by the president of the presidium of the 11th Regular Congress of the COB [Bolivian Labor Federation], Milton Gomez, to proclaim miners' representative Edgar "Huracan" [Hurricane] Ramirez the new executive secretary of the COB provoked a pitched battle among the delegates early this morning. [passage omitted]

Political News [passage omitted]

Pipeline Construction To Begin in Late 1996

President Gonzalo Sanchez de Lozada has announced that construction of the gas pipeline to Brazil will start at the end of this year so that Bolivian gas can begin to be used in Brazil in 1988 [year as received].

He explained that this decision had been reached during talks with his Brazilian colleague Henrique Cardoso during the Mercosur meetings held in Buenos Aires this week.

Supreme Court President Resigns

Sucre. The president of the Supreme Court, Edgar Rosales Lijeron, yesterday submitted his resignation to the full Court, which he will definitely leave effective Monday, 1 July, said his letter to the vice president of Bolivia.

"As I have completed my constitutional term of ten years as a member of the Supreme Court, and even though despite the time that has elapsed, to date my legal replacement in this position has not yet been appointed, I hereby inform Your Excellency that as of 1 July, I shall relinquish the duties which I have been performing," said the letter which Rosales sent to the vice president. [passage omitted]

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Foreign Minister Uninformed of Antidrug Operation

Foreign Minister Antonio Aranibar said that he has not received any official report on a huge antidrug operation commanded by the United States in which six countries, including Bolivia, are taking part.

According to Pentagon (U.S. intelligence service) [as received] reports, "Operation Laser Attack," which includes the deployment of airborne, naval, and ground troops throughout the region, should now be in progress. [passage omitted]

Support for Journalist Expressed

Union and professional organizations of civil society have expressed their solidarity with writer and journalist Ronald Mendez Alpire, and have stated their opposition to the sentence of two years in prison which has been issued against him by Judge Luis Antezana Parra of the Third Criminal Court of the Superior Court of Santa Cruz.

The College of Attorneys of La Paz, the National Confederation of Retirees and Shareholders of Bolivia, the Union of Press Workers of La Paz, the Association of Journalists of La Paz, and the Bolivian Permanent Human Rights Assembly all deplored and opposed that controversial decision. [passage omitted]

Economic News

Government to Decide ENRON's Participation in YPFB

President Gonzalo Sanchez de Lozada has said that it will be the government that will unilaterally determine whether or not the U.S. firm ENRON will participate in the privatization process of the state oil company YPFB [Bolivian Government Oil Deposits].

"That is a decision which we will make unilaterally; we shall see what we will receive and decide what is most appropriate," said the chief of state upon his arrival from Buenos Aires, where he met last Monday with the president of the oil multinational, Rebecca Mark. [passage omitted]

Brazil

Brazil: Congress Agenda for Special Sessions Defined

PY2806213596 Sao Paulo AGENCIA ESTADO in Portuguese 1938 GMT 27 Jun 96

[FBIS Translated Text] Brasilia, 27 Jun (AE) — President Fernando Henrique Cardoso and the leaders of the allied parties in Congress have just defined the subjects that will be voted on during the special Congress session in July. The agenda includes nine constitutional amendment proposals, 25 draft bills, all the presidential vetoes on bills which have yet to be reexamined by Congress, as well as several provisional measures and issues that exclusively pertain to the Chamber of Deputies and the Senate — like rolling over the debts of states and municipalities, and international agreements.

The agenda will be published in the DIARIO OFICIAL DA UNIAO on 28 June. It includes the social security reform, the creation of the Provisional Contribution on Financial Operations (CPMF), and a bill imposing restrictions on the creation of new municipalities. Cellular phones and phone tapping regulations are among draft bills.

Brazil: President Cardoso Views Government Goals

PY2806235496 Brasilia Voz do Brasil Network in Portuguese 2200 GMT 28 Jun 96

[FBIS Translated Text] President Fernando Henrique Cardoso has said that following the stabilization of the economy, the government goals are now as follows: to improve the distribution of income, and economic growth.

[Begin Cardoso recording] Given that we are approaching another phase of the Real Plan, and that conditions to ensure the stability of the currency have been defined, all we have to do now is to grow, grow, grow, and distribute, distribute, and distribute. There is no distribution of income without growth. Growth without distribution of income represents the multiplication of injustices. That is not our intention. We intend to grow with justice and with distribution of income, as the minister [not further identified] said, without charity but with dignity. [end recording]

Consumption rate reached 25.8 percent in 1994, during the first year of the real. During 1995, it dropped to 14.2 percent because of consumption credit restrictive measures adopted by the government. Increased consumption was caused in great part by the increase in the workers' income.

Brazil: Finance Minister on Real Plan, Government Goals

PY2906013696 Brasilia Voz do Brasil Network in Portuguese 2200 GMT 28 Jun 96

[Passages in quotation marks are recorded remarks by Finance Minister Pedro Malan]

[FBIS Translated Text] Finance Minister Pedro Malan today said that the government goals go beyond the control of inflation in order to attain economic growth.

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The Real Plan will be two years old on 1 July and it has yielded several favorable results, such as the lowest inflation rate since 1957 and an expected inflation rate between 12 and 13 percent for 1996 — the lowest of the past 40 years. Within this framework, Finance Minister Pedro Malan granted an exclusive interview to Voz do Brasil and said that the control of inflation is not the only objective of the government.

"I think it is a mistake to believe that our only objective is to control inflation. It is an essential objective which we will not give up, but it is not our only objective. We think that it is a necessary condition, but not the only one, to attain our other objectives, which are economic growth.... [changes thought] giving clear signals of economic reactivation, which will continue in the second half of 1996, indicating that we will begin 1997 with an economic expansion. We expect an economic growth rate between 4.5 and 5 percent — I hope that it will be closer to 5 percent — in 1997 and 1998, together with a decreasing rate of inflation."

Minister Malan said that there are two great challenges for the Real Plan in the upcoming months and years: The modernization of the public sector through the state reform and the privatization program. Another great challenge, the minister said, is to end social imbalances like hunger, injustice, misery, and violence. He said that there are still several objectives to be attained within the economic plan.

"Our objectives are to maintain inflation under control, which in our case means a gradual, falling trend; to continue creating the conditions for sustained growth over time, rather than a sudden growth burst that would be too easy to attain; to continue the modernization of the state; and to somehow attend, with responsibility and seriousness, to our social problems, especially those in the field of basic education and health."

For Minister Malan, the constitutional reforms are important for attaining the mentioned objectives.

"These objectives depend on several changes, not only on the constitutional reforms, which are important and for which we will continue struggling, given that we think that the country needs them in the medium to long term.

"I believe it is not correct to think that if all the constitutional reforms are not approved now the real will collapse immediately. That is not what we think. We think that we need to reform the Constitution because the 1988 Constitution has some excess details in some aspects that would be better regulated by common law. The 1988 Constitution imposes certain rigidity on the public sector and it should therefore be modified. I have no doubt that it will be reformed. It is a matter of beginning with it. Things are not happening as the government would have liked, according to its initial project, but we must acknowledge that this is a democracy. This is how things happen in any democracy. We need to establish a dialogue and negotiate with Congress. This is the system we have, and it is better than a system in which the executive branch decides everything without negotiating with Congress."

Minister Malan also said that much must still be done in terms of administrative decisions by the federal, state, and municipal governments, which do not depend on the constitutional reform, but on a more efficient management of resources, which are scarce.

Brazil: Minister Assumes Stance Against Protectionism

PY2906034696 Sao Paulo AGENCIA ESTADO in Portuguese 2147 GMT 28 Jun 96

[By Edson Chaves Filho]

[FBIS Translated Text] Rio de Janeiro, 28 Jun (AE) — Industry and Commerce Minister Francisco Dornelles said today that Brazil will not join the process of globalization of the economy "like a fool, like a country that does nothing while its industry is being destroyed by unfair commercial practice." Claiming that the Real Plan helped to increase enterpreneurial efficiency, the minister said that the government "will not permit dumping practice and subsidies to affect the employment of Brazilian workers, and to destroy an industry that creates wealth." Dornelles mentioned the example of the United States, which — according to him — has imposed more than 20 protectionist measures on Brazilian exports, noting that the same thing happens with the European Community and with Japan.

In his opening remarks to the seminar entitled "The Importance of Intellectual Property in the National and International Context," the minister said that with the approval of the new patent law, Brazil took a significant step toward integration into the international community. "It was a very important fact, taking into account that the country needs to increase the flow of investment, create new jobs, and develop technology." Brazil, he went on, "has skillfully resolved some problems that were not resolved in the legislation of other South American countries."

Dornelles ironically referred to the objections that Japan has raised to the Brazilian automobile regime, with threats to resort to the World Trade Organization (WTO). The minister admitted that "everyone has the right to make claims," but he warned that the Brazilian

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legislation will not change, "because it was designed to serve Brazilian interests." According to him, the government wants to increase exports, rather than opening the economy to make the country lose income and jobs.

He emphasized that the government is not planning to reconsider textile import tariffs, despite the fact that entrepreneurs of the sector are willing to increase prices. "I do not believe it," he said, recalling that prices are fixed by the market, and at a time when the economy is stabilized, "whoever increases prices will be out of the market."

Real

The minister said that the first two years of the real must be hailed. "It was the biggest investment in the social area in the past 50 years, because it prompted the transfer of approximately 10 billion reals from the financial system to the lower-income sectors, transforming some 7 million people, who lived in total poverty, into consumers."

The minister made the same mistake that Presidente Fernando Henrique Cardoso made while opening an international telecommunications meeting in Rio de Janeiro two weeks ago. The poll mentioned by Francisco Dornelles was made by the Applied Economic Research Institute (IPEA), of the Planning Ministry. It showed that 5 million people had actually joined the consumer market.

Brazil: Officials Estimate Possible Privatization Revenues

PY2906013396 Sao Paulo AGENCIA ESTADO in Portuguese 2258 GMT 27 Jun 96

[Report by Odail Figueiredo]

[FBIS Translated Text] Mines and Energy Minister Raimundo Brito believes the 11 electrical power generation and distribution systems which the government has included in the National Privatization Program (PND) should yield between 2.5 billion reals [R] and R3 billion for the public coffers. The government believes, however, that a new stage of the program has begun, in which revenues obtained from the sale of state-run companies are less important than the progress the economy could make if its infrastructure were more efficient.

Planning Minister Antonio Kandir said: "Only through new investments can growth be attained, and this calls for a more competitive economic system." Luis Carlos Mendonca de Barros, National Bank for Economic and Social Development (BNDES) president, said the privatization of ports and the electric power sector is essential if growth is to be achieved. He said: "Infrastructure must improve and offer more services in light of the investments being made in the country."

Raimundo Brito said the government will make an "in-depth" study of the privatization of the main electric power plants of the Eletrobras [Brazilian Electric Power Company, Inc.] system, which will in 1997 define a new model for the sector. The government has concluded that the current list of enterprises may be immediately privatized without hindering any ongoing work.

BNDES and Eletrobras will develop streamlining programs for state-run power distribution companies, so they can be privatized. To this end, the concurrence of governors is needed. Aid will depend on the governors' commitment to privatization. Mendonca de Barros believes the privatization of power distribution companies is essential prior to the privatization of the huge federal power plants, which supply power to state networks. He said: "Many distribution companies are unable to honor their obligations, and this has driven potential investors away from the privatization of the plants."

Early next week, an agreement will be signed with the Bahia State Electric Power Company (COELBA), while the next operations may involve the three Sao Paulo distribution companies, the Sao Paulo Power Company, Inc. (CESP), the Sao Paulo Power and Light Company (CPFL), and Eletropaulo [Sao Paulo Power, Inc.]. The state's Legislative Assembly on 29 June approved a law authorizing the state government to privatize those enterprises. Mendonca de Barros said the privatization of CESP may yield R4 to R5 billion.

The PND also decided to withdraw the three nuclear power plants under the control of Angra dos Reis from Furnas [Furnas Electric Power Plants, Inc.], transferring them to the state-run Nuclen [Nuclebras Engineering, Inc.] enterprise. The Constitution states that nuclear power plants must be under government control. The transfer will facilitate the sale of other assets belonging to Furnas, since three Furnas electric power plants are on the list for immediate privatization that was released today (Funil, Santa Cruz, and Roberto Silveira). BNDES Privatization Director Pio Borges said that next on the privatization program are three other Furnas power plants, on the Grande, Corumba, and Paranaiba Rivers.

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Brazil: Commentator Views Economic Diplomacy Goals

PY2806152596 Sao Paulo O ESTADO DE SAO PAULO in Portuguese 27 Jun 96 p B2

[Commentary by Marcelo de Paiva Abreu: "Priorities of Economic Diplomacy"]

[FBIS Translated Text] Even for a country like Brazil which has an efficient diplomatic service, the joint effects of the agendas of bilateral, regional, and multilateral economic negotiations are almost intolerable, and they certainly exert pressure on the limited administrative resources available to the government. Such negotiations, which are held at various levels, obviously also compete for the limited political resources that the government can use. Brazil has limited availability of ammunition, and what is used for obtaining — or rather, for attempting to obtain — a specific concession, reduces the country's bargaining power on other topics.

Bilateral negotiations are particularly important in light of Brazil's interest in expanding the number of members of the UN Security Council. If Brazil is elected a Council member, not only will the Fernando Henrique Cardoso Government have obtained a major political victory, but Itamaraty will also have "corrected history," attaining an objective which Brazilian diplomacy has strived for since the 1920's at the League of Nations. At the subregional level, Brazil must meet the permanent demands posed by our negotiations for consolidation and expansion of Mercosur [Common Market of the South].

The dynamics for the definition of the regional and multilateral agendas heavily relies on the U.S. position. The U.S. practice in this sector, as was shown by the Uruguay Round of Talks, has been a hyperactive position in favor of the expansion and deepening of the agendas, a position that is not necessarily followed by constructive positions in specific negotiations. This happened in most negotiations over services within the World Trade Organization (WTO), in which the United States has systematically been absent from the final talks for multilateral liberalization, on the grounds that the proposals by other countries would not be sufficiently liberal. This was done despite the fact that after the ministerial meeting of the old General Agreement on Trade and Tariffs (GATT) in 1982, the United States has advocated the inclusion of services on the negotiations agenda.

This U.S. hyperactivity has more recently surfaced both at the regional and multilateral levels, and in both cases, it has jeopardized the long-term interest of the Brazilian external economic policy. At the negotiations over hemispheric integration, the U.S. Government has systematically pushed for faster negotiations, contradicting the agreement reached in Miami whereby negotiations should be concluded in 2005. The permanent U.S. pressure for accelerating the negotiations, and the U.S. resistance to consider the existing subregional initiatives — such as Mercosur — for the negotiations, have contributed to making Brazil appear as the main factor opposing rapid hemispheric integration. To cool off the U.S. enthusiasm about hemispheric integration, Brazilian diplomacy will have to permanently and heavily rely on its available political resources.

In the multilateral sector, there is also evidence of U.S. hyperactivity — in some cases with the cooperation of other developed countries — on the agenda of the first WTO ministerial meeting, which will be held in Singapore in December 1996. In addition to a preestablished agenda, providing for negotiations before the end of the century in areas like services and agriculture, other topics have also been raised, like additional tariff reduction, investment, policies for tenders, working conditions, and corruption.

Like many other developing countries, Brazil's interest in the WTO is far closer to the consolidation of the results of the Uruguay Round of Talks — rather than expanding the topics addressed at the WTO or accelerating the tariff reduction timetable. A balanced negotiation to accelerate liberalization should also include matters in which developing countries are interested, like agriculture and textiles.

The attempt to begin negotiations on new topics, particularly labor conditions, at a time in which developing countries are trying to implement the decisions made at previous negotiations, does not seem constructive. Especially if there is no indication of a mature debate on the need for emphasizing the harmonization of the policies by various countries, emphasis that can easily become a justification for new forms of protectionism. In light of the impact of multilateral policies on Brazilian interest, it is important to coordinate a position in Singapore, advocating implementation of the results of the Uruguay Round of Talks and expansion of the agenda to suit the national interest. This will also call for full use of Brazil's limited bargaining power.

In this complex context, the attempt to settle the differences — caused by the insistence in maintaining the Brazilian automobile regime — has unfortunately caused intense and incomplete bilateral negotiations, which sought to accommodate the interest of the affected countries. Along with other sectorial demands, which are generally opposed to collective interests, such negotiations threaten to complicate even further

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the tables, agendas, and minds of those responsible for Brazilian commercial policy. In this case, the government must also know how to make the best use of its scarce resources, without dissipating them into multiple unattainable objectives. There is one criterion that should prevail: the preponderance of collective over sectorial interests.

Brazil: New Telecommunications Model Outlined

PY2706222296 Sao Paulo GAZETA MERCANTIL in Portuguese 25 Jun 96 p B6

[Article by Andre Vieira]

[FBIS Translated Text] The Communications Ministry hopes the new Brazilian telecommunication model will be ready by the end of Fernando Henrique Cardoso's presidential term in 1998. With massive private capital investment, the ministry wants the state to perform solely as the regulator of services in the country.

"We hope this stage will be completed during President Fernando Henrique Cardoso's first term," Communications Minister Sergio Motta jokingly said, once again advocating the reelection of Cardoso. "With a minimum of two competitors per service, the trend will be for prices to drop," he added. The minister on 24 June attended a seminar called "First Year of the Law on Concessions: Implementation and Prospects," sponsored by GAZETA MERCANTIL and the Tribunal Magazine Printing House.

The ministry already has a timetable for the sector. Motta divided it into three phases. In the first phase, the minister wants the bill regulating telecommunications approved. He said that after being approved by the Chamber of Deputies, he hopes the bill will be approved by the Senate — within the next three weeks.

Following this, the ministry will put under public scrutiny the calls for offers for private exploitation of the concessions for cellular phone, satellite, and data communication services. After listening to suggestions, the calls for offers will be published at the end of the year.

In the case of cellular phone services, the minister said there are 19 consortia of local and foreign enterprises which want to exploit the private frequency band (B Band). The country will be divided into seven to 10 regions, whose areas will be exploited by the consortia that were awarded the concessions. Private operations will start by mid-1997.

He emphasized the strategic importance of rapid approval of the bill to prevent other countries that are opening their markets, like China and India, from attracting international investors.

In the second phase, the minister will submit to Congress — in September — a bill creating the telecommunications regulatory organ. Members of the organ, who will supervise telecommunication services in the country, will perform their duties for a fixed period. Motta believes this will be one of the greatest challenges, because "Brazil has no regulatory experience."

If Congress does not approve the bill before the publication of the calls for offers for exploiting telephone services, the Communications Ministry will continue to be responsible for telecommunications in the country. The ministry expects the bill to be approved at the end of the year.

In the third phase, the ministry will begin restructuring the Telebras [Brazilian Telecommunications, Inc.] system, seeking to privatize it. As of January 1997, the present 27 subsidiaries of Telebras will be regrouped into four or five macro regions. "Many were created for political reasons, and they practically yield no profit for the states to which they belong," Motta said.

The government intends to open the conventional telephone service market — among others, domestic, interurban, and international calls, 0800 services — to private groups. Before doing this, the idea is to open a transition period for restructuring state-run telephone companies, seeking to prevent — according to Motta — the squandering of state assets. Privatization will come after this.

Meanwhile, the government will continue to make heavy investments in state-run telephone companies. Motta said the investments scheduled for this year are worth about $7 billion. He claimed: "We are investing to increase the value of Telebras so we can privatize its subsidiaries."

The sale of state-run telephone companies will leave Telebras empty. Motta said the government will guarantee the minority shareholders's right to exchange or sell their shares. Motta then criticized — without giving further details — the Corporations Law, which guarantees minority shareholders the right to withdraw and relinquish their shares at the corresponding value.

Motta explained that what is left of Telebras may become the government's lever in the regulatory organ. He said that Embratel [Brazilian Telecommunications Company] will also be emptied. The government guaranteed this enterprise the exclusive right to exploit — among other services — satellite and microwave services until December 1997. The fact that the Communications Ministry will also be emptied prompted Motta to say there will be no problems: "I will look for another ministry."

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Hugo Napoleao (PI) [Piaui], PFL [Liberal Front Party] Senate leader, told O Globo News Agency that he will promote modifications to the bill that opens cellular phone services and satellite data transmission to the private sector. Napoleao, who on two occasions talked by phone with Motta, said the version of the bill approved by the Chamber of Deputies contradicts the position of his party. The O Globo News Agency cites Napoleao as saying: "Minister Motta asked for my support to publish the first call for offers to operate the B band (private telephone services) in August. We will make some changes to the text approved by the Chamber of Deputies, to where the bill will be returned."

Napoleao reported that he talked with government leader in the Senate Elcio Alvares (PFL-ES) [Espirito Santo], and PSDB [Brazilian Social Democracy Party] leader in the Senate Sergio Machado (CE) [Ceara]. These leaders proposed submitting the bill to urgent voting, as requested. However, Napoleao rejected their proposal, but agreed that the request for urgent voting would be submitted only after the bill is approved by the three committees (Constitution and Justice, Infrastructure, and Economic Affairs).

"I intend to be the rapporteur of the bill at the Infrastructure Committee. I have a PFL document declaring unconstitutional the limit on foreign capital in enterprises that will be created to provide the services. A change has been introduced into the Constitution eliminating this discrimination. Another topic on which I have been debating concerns the regulatory organ. It must be independent, but not self-sufficient," Napoleao said.

The senator said that Elcio Alvares will have to set the pace for the debate on the bill at the Senate. Even though there are three rapporteurs for the subject, one step that Alvares will take is to hold a joint meeting by the committees, seeking to prevent Minister Motta from having to report to the Senate on three occasions.

Brazil: Roundup of Economic Reports Through 28 Jun

PY2806173696

[FBIS Report] The following is a compilation of reports on economic activities in Brazil monitored through 28 June.

BASIC LEADING INDICATORS

First TBC Value Seen — The Monetary Policy Committee announced on 26 June the first Central Bank Basic Rate (TBC), which stands at 1.90 percent per month. This rate was created some 10 days ago and will go into force in July. The TBC value will be established monthly and will serve to make the interest rate for the financial market clearer as well as to correct the rediscount loans and the financings of the Program To Encourage the Reorganization and Strengthening of the National Financial System. The TBC replaces the Selic (Computerized System for Surveillance and Liquidation) average rate. (Sao Paulo AGENCIA ESTADO in Portuguese 0139 GMT 27 Jun 96)

FINANCIAL OPERATIONS

Energy Area Opportunities Viewed — British National Power Director Christine Stevenson has reported that her company's investment priorities for Latin America are Brazil, Colombia, and Chile. During the seminar, "British Prospects for the Brazilian Energy Area," which was held in Sao Paulo on 19 June, Stevenson said that although there are no clear signs of a definition for the energy-producing area in Brazil, certain changes are already occurring. She added, however, that she sees difficulties in overcoming the monopoly two companies have over the electricity-producing area in Chile. (Buenos Aires GAZETA MERCANTIL LATINO AMERICANA in Spanish 23 Jun 96 p 3)

Savings Passbook Losses Reported — The Central Bank has reported that, up to 17 June, the savings passbook area had registered a 2.1 billion reals, R, loss in about 45 days and that in May, R1.13 billion had been withdrawn from the savings passbooks. Bank of Boston Director Fabio de Araujo Nogueira believes that the money has been withdrawn to purchase home appliances as well as because the passbooks are yielding too little a profit. (Sao Paulo FOLHA DE SAO PAULO in Portuguese 24 Jun 96 Section 2 p 6)

Spanish Entrepreneurs Seeking Partners — A Spanish delegation of entrepreneurs of the areas of agricultural equipment and raising of cattle and pigs started on 25 June a tour of the country looking for Brazilian partners for import operations. To this extent, representatives of 12 enterprises linked to the Spanish Association of Agricultural Machinery and Cattle Raising Equipment are visiting small and medium-size enterprises in various regions of the country. (Sao Paulo AGENCIA ESTADO in Portuguese 2051 GMT 25 Jun 96)

Radiobras, TELAM Cooperation Seen — The Social Communications Secretariat of the Presidency of the Republic has signed an agreement with the Argentine Media Secretariat. The agreement establishes cooperation between the Brazilian Radio Broadcasting Company and the Argentine news agency TELAM for the exchange of news. Presidential spokesman Ambassador Sergio Amaral has signed the agreement on Brazil's behalf. (Brasilia Radio Nacional da Amazonia Network in Portuguese 1000 GMT 26 Jun 96)

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Investment in MG Infrastructure Reported — Nearly R1 billion will be allocated to the Minas Gerais, MG, administration this year. Jose Pio Borges, vice president of the National Bank for Economic and Social Development, has reported that the funds will be used in infrastructure work in the state. He added that, so far, the BNDES has already disbursed R350 million for this type of project. Allocation of the remaining amount will depend on the swiftness with which the state administration completes studies that are currently under way. MG Vice Governor Walfrido Guia said that a large amount of the resources will be used to improve the highway system, consisting of "6,000 km of finished highways, which we want to transfer to the private area." (Sao Paulo AGENCIA ESTADO in Portuguese 2029 GMT 26 Jun 96)

PRIVATIZATION

Biddings For Cellular Concessions Open — Brazilian Telecommunications, Inc. subsidiaries are opening $1 billion biddings in several states for the installation of cellular phones. Biddings are being held in the states of Sao Paulo, MG, Rio de Janeiro, Parana, and Brasilia. In Sao Paulo, the local telephone company is selling more than 3,000 cellular phone lines in Jundiai and 3,972 in Sorocaba. The MG telephone company is bidding more than 3,900 lines, and the Rio de Janeiro local company some 3,400. The number of lines, however, remains insufficient because in Jundiai 80,000 people are waiting for a line; 180,000 are waiting to have a cellular phone in the MG small towns; 110,000 in Rio de Janeiro towns; and 80,000 in Sorocaba. Nevertheless, the biddings being currently held will total only 44,052 lines. (Sao Paulo AGENCIA ESTADO in Portuguese 2013 GMT 27 Jun 96)

TRADE ISSUES

Brazil May Increase Tariffs — The Brazilian Government has modified Decree 1488, which regulates norms on temporary safeguard measures. According to Decree 1936, which was published on 21 June, the temporary safeguard measures will consist of increasing import taxes through an additional to the Common External Tariff. Jose Alfredo Graca Lima, head of the Itamaraty Economy Department, explained that the decree has been reviewed from the legal viewpoint and that it does not seek to meet the interests of any industrial area in particular. According to WTO rules, these temporary safeguard measures can be in force for up to 200 days. (Buenos Aires GAZETA MERCANTIL LATINO AMERICANA in Spanish 23 Jun 96 p 1)

Chile

Chile: Cuban Foreign Minister To Visit on 28 Jul

PY2706235196 Santiago EL MERCURIO in Spanish 25 Jun 96 p C5

[FBIS Translated Text] Cuban Foreign Minister Roberto Robaina will pay an official visit to Chile on 28 July. He will be the first Cuban official to visit Chile since bilateral diplomatic relations were resumed a little more than a year ago.

Robaina comes in response to an invitation by Chilean Foreign Minister Jose Miguel Insulza who visited Cuba last January heading a mission with clear political and economic purposes.

Robaina's visit was confirmed yesterday by Cuban Ambassador to Chile Aramis Fuentes who met with Chilean acting Foreign Minister Mariano Fernandez to discuss some bilateral subjects. Fuentes explained Cuba's viewpoint regarding a report by the International Civil Aviation Organization (ICAO) on the downing of two small planes from an anti-Castro group over international waters at the beginning of the year. Four people died in this incident.

This report is backed by the United States which accuses Cuba of violating international law. The Havana administration nonetheless claims the planes were in Cuban airspace.

Cuban President Fidel Castro is also expected to visit Chile this year, not on a state visit but within the framework of the VI Ibero-American summit that will take place in Chile and that will be attended by the heads of state and government of the Latin American countries, Spain and Portugal.

Aramis Fuentes said that following the signing in Havana in January by Insulza of a basic cooperation agreement, Robaina's visit to Chile will serve as the first meeting of the Joint Committee. When Insulza visited Havana he also signed an agreement for the reciprocal promotion and protection of investments.

He said the Cuban delegation will include a group of businessmen who will learn about the possibilities that Chile offers and make proposals to Chilean businessmen.

One of the main subjects discussed by Fuentes and Fernandez — according to the Cuban diplomat — is the report on the downing of the two small anti-Castro planes on 26 February. Fuentes questioned its objectiveness and said that the report was "manipulated." He suggested the United States lied to the committee that

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prepared it and took longer than expected to deliver the required information.

According to initial reports on the document, the small planes were downed in international waters which contradicts the Cuban version that they invaded Cuban airspace.

Chile: Cuban Official Denies Link With Guzman's Murder

PY2906013896 Santiago EL MERCURIO in Spanish 28 Jun 96 p C13

[Article by Patricia Grogg from Havana]

[FBIS Translated Text] Havana — The Cuban Foreign Ministry has said it is "crazy and absurd" to try to link Cuba — specifically, Revolutionary Armed Forces Minister General Raul Castro — with the murder of Chilean Senator Jaime Guzman five years ago.

Cuban Foreign Ministry Spokesman Miguel Alfonso told EL MERCURIO: "I do not believe the problem deserves any consideration or official reaction from the Foreign Ministry."

During a conversation with this correspondent after the regular Thursday news conference with the foreign media, Alfonso said this is strictly a private issue, and as such he will not give details on the marriage (already dissolved) of Mariela, the youngest daughter of Raul Castro, with Juan Gutierrez Fischman, who is linked to the attack on Guzman.

Alfonso added: "I believe it is crazy and absurd to link Cuba — specifically, the Revolutionary Armed Forces minister — to an event that may have taken place in Chile or Cuba over a personal relationship that may have existed between a relative of the minister and a man accused in Chile."

Chilean Ambassador to Cuba Patricio Pozo said that officially he does not know anything or received any information on this case. He added: "All I know about this case is what I read in the Chilean press."

Pozo confirmed that Cuban Foreign Minister Roberto Robaina will visit Chile at the end of July.

Chile: More Data on Argentine Nuclear Dump Requested

PY2906022996 Santiago EL MERCURIO in Spanish 25 Jun 96 p C5

[FBIS Translated Text] After being notified of the concern of several congressmen and of the Chamber of Deputies as a whole, the Chilean Foreign Ministry has instructed the Chilean Embassy in Buenos Aires to prepare a report on the possible installation of a nuclear waste dump in an Argentine locality near Palena.

This report was given yesterday by Acting Foreign Minister Mariano Fernandez after a meeting with Deputies Mario Acuna (Christian Democratic Party — PDC), Gabriel Ascencio (PDC), and Victor Perez (Independent Democratic Union — UDI).

Journalistic sources have reported the interest in building a nuclear waste dump in the locality of Gaste, Chubut Province, within the framework of the privatization of three Argentine nuclear plants. According to the report, the installation of a "dump" for nuclear waste is a key condition for the privatization of those plants.

The concern that exists relative to this matter in our country has led the Chamber of Deputies to send an official letter to the Foreign Ministry requesting a report on the possible nuclear dump, and Deputies Acuna, Ascencio, and Perez went to the Foreign Ministry yesterday to ask for further details and to express their concern.

"I have received the reports provided by the deputies, noting the concern about their zone, and we have asked our embassy in Argentina for more information. At this moment we are gathering all the background information," Fernandez said.

The acting foreign minister was very cautious in giving an opinion on the matter, which is now in the hands of the Argentine Congress, given the fact that there is a Chubut provincial law that forbids that type of installation in its territory.

He said that, first, it is a matter that has not yet been established and the Chilean Government cannot express its concern to the Argentine Government yet.

He also recalled that there are many international conventions governing the installation of nuclear waste dumps.

"This is a very complex matter. There had been problems and situations that have taken place in several countries. We are going to make a statement once we have all the information and all the background information. This is also a matter that deals with a possible installation in a neighboring country. Thus, we are going to be extremely cautious in releasing an opinion on the matter," Fernandez said.

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Chile: Minister Lagos Views Importance of Mercosur Accord

PY2706032196 Santiago LA TERCERA DE LA HORA in Spanish 25 Jun 96 p 7

[FBIS Translated Excerpt] Buenos Aires — Chilean Public Works Minister Ricardo Lagos has stated that "politically Chile's entry into Mercosur [Common Market of the South] implies something very important for our country." He added: "Beginning now, Chilean foreign policy will be based on its relations with Latin America and with Mercosur."

In remarks to LA TERCERA DE LA HORA, Lagos said: "In the future, when Chile appears before any international forum, it will do so as a member of a very broad regional understanding. This implies a very significant change. I want to give a single example: Spain, before and after joining the European Union. Before entry, Spain had been a "small little country." Now, after entry, when Spain speaks, a part of Europe also speaks. That, from the political point of view, and in terms of foreign relations, is a very important element for Chile."

He added that the physical integration issue is not sufficiently stressed. He noted that much has been said about the Chilean products' access to markets of the Atlantic. The access of merchandise that can use Chile to reach the Atlantic, however, has not been sufficiently stressed. The idea is that Chile should play the role of a bridge with Southeast Asia: "It is absurd for Japan to use the 12,000-mile route between Japan and the ports on the Atlantic and not the ports of the Pacific, where the distance is only 8,000 miles. That implies a spectacular development potential for Chile."

Moreover, among the Mercosur challenges, he pointed out investments. He said that when President Eduardo Frei assumed office, there was only one paved border passageway. We also hope to have paved bioceanic corridors with Bolivia, Paraguay, Brazil, and Peru, so that there will be an adequate flow of merchandise. [passage omitted]

Chile: Negotiator Discusses Impact of Mercosur

PY2706222496 Santiago LA TERCERA DE LA HORA in Spanish 25 Jun 96 p 19

[FBIS Translated Text] International Economic Relations Director Carlos Mladinic Alonso yesterday admitted that signing the agreement of association with Mercosur [Common Market of the South] will not mean Chilean exports to Mercosur will increase in the initial stages "because it enjoys trade advantages under ALADI [Latin American Integration Association]."

He stated that "at the start imports will increase, but the option was to lose all ALADI preferences."

He said that, during the negotiations prior to the signing today in San Luis, Mercosur pressured Chile by threatening to suspend the ALADI preferences if the negotiations were not successful. Thus, the greatest immediate benefit Chile will receive from this agreement is the maintenance of the mentioned tariff preferences.

However, Mladinic expressed certainty that in the next few months many more Chilean productive sectors will be incorporated into the regional bloc.

He said that a quicker liberalization of the fruit market would have been more beneficial for Chile, while Mercosur members wanted this to happen with the wheat and beef markets.

Mladinic said that, from the trade viewpoint, Mercosur represents for Chile much more than NAFTA although it is not as important politically. He said it will be very difficult for the Untied States to negotiate with Chile for the time being. "Bill Clinton will probably win the next elections, but Congress will continue under the control of the Republicans," which makes it improbable that Chile will join NAFTA in the short term.

Chile: Impact of Mercosur Accord on Textile Exports Viewed

PY2906034896 Santiago EL MERCURIO in Spanish 22 Jun 96 pp B1, B4

[FBIS Translated Excerpt] Based on the association agreement that Chile and Mercosur [Common Market of the South] will sign on 25 June in Buenos Aires, 57.9 percent of the Chilean textile products exported to Mercosur, which amounts to $52.7 million, is under the custom duties gradual reduction plan, which will be liberalized within eight years, and the reduction will start with an initial 40 percent cut.

In the case of shoes, of the $7.3 million exported to Mercosur, only 29.8 percent was left on the list of general tariff reduction, according to Economy Under Secretary Angel Maulen.

In the case of the norms of origin, the position of the Mercosur for establishing specific requirements prevailed. Therefore, the textile products (thread, cloth, fabrics) will have to fulfill simultaneously a single requirement [salto de partida] and a regional raw material requirement; some knitwear will require that the thread be from the region, and others will require that the internal and external fabric be from the region.

Mario Garcia, president of the Textile Institute, was "moderately satisfied" at the result obtained because,

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even though important progress was made regarding the conditions that originally were to be imposed, discrimination still prevails regarding specific rights and the list of sensitive products.

According to the information disclosed by Maulen, an agreement was reached that 165 articles of the textile sector that have been identified under the Naladisa code will remain on the "special sensitive" list in a reciprocal manner; this means that for three years, as of the date of the signing of the agreement, they will not be subject to any tariff reduction, but those products which are currently enjoying some preference will maintain their long-standing benefits. The tariff reduction will be lineal starting from the fourth year and will conclude in the 10th year. In terms of exports, these articles represent $20.7 million, which is 30.4 percent of the total exports to Mercosur.

Regarding specific rights, last year textile exports to the Argentine market paid an average tariff of 35.8 percent instead of the average 20.7 percent. This situation changes with the agreement; therefore, these products will not pay a tariff of over 25 percent.

The Textile Institute believes, however, that the 25 percent tariff is still very high and not equitable vis-a-vis the Argentine products which can enter the Chilean market paying only an 11 percent tariff. Garcia believes that this discrimination should be resolved within the Administrative Commission of the Agreement, putting a deadline to it.

The norms of origin is another issue that worries the textile businessmen because it was not clearly established whether a dual requirement [doble salto arancelario] will be demanded on clothing. He believes that it would be acceptable to have a single requirement [un salto arancelario]; in other words, when cloth is transformed into clothing, 60 percent of the components should be from the region. But the demand is that the thread and the cloth in the clothing had to be from the region, in addition to the requirement whereby 60 percent of the components must be from the region.

Garcia explained that this is discrimination because only 60 percent regional components is required among the Mercosur countries but the requirement on Chile is a single requirement and 60 percent regional components. [passage omitted]

Chile: Agricultural Group Submits Proposals To Face Mercosur

PY2706032296 Santiago EL MERCURIO in Spanish 25 Jun 96 p B1

[FBIS Translated Text] The National Agricultural Association, SNA, yesterday presented five big proposals as a way to attenuate the eventual negative effects the Chilean association with Mercosur will have on agriculture.

First, the association asked the government to eliminate tariffs for importing equipment, material, and agricultural equipment from any country, and not only from those with which the trade agreement was signed.

Second, the SNA also asked for the establishment of a 25 percent discount to purchase fertilizers, which is a mechanism that could function through a tariff refund.

Third, the SNA asked for the creation of a long-term mortgage agricultural credit of at least 20 years.

The SNA leaders also support a profound reorganization of the Commission for Preventing Distortions to facilitate the participation of private organizations. The SNA expects that one of its representatives will be a member of the commission, "which currently is not the most adequate for the agricultural sector because, among other reasons, it does not have enough resources." SNA President Ernesto Correa said: "We want an autonomous commission that makes decisions."

Yesterday, the SNA leaders met with congressmen who are members of the Agricultural Committees of the Chamber of Deputies and the Senate.

At the end of the meeting, Ernesto Correa said: "If the agreement is good for the country and bad for agriculture, palliative measures must be adopted to prevent farmers from bearing the burden of the association."

The agricultural leaders said that the five big proposals submitted yesterday are not subsidies; therefore, they should not be rejected by the countries with which agricultural products are traded.

Agriculture Minister Emiliano Ortega disclosed the guidelines to be implemented by his ministry to face the new challenge agriculture will face to coexist with international markets. Therefore, the necessary resources to increase production and to introduce technology and innovations will be increased.

The promotion of the external market with an appropriation of $50 million up to the year 2000 is among the most important mechanisms being considered. Also being studied is the reorganization of the internal market with the participation of producers, exporters, and,

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if necessary, institutions such as the National Economic Comptroller's Office.

Colombia

Colombia: Victims of 'Massacre' in Medellin Identified

PA3006234996 Santa Fe de Bogota Radio Cadena Nacional in Spanish 1500 GMT 30 Jun 96

[From the "RCN Radio Events" newscast]

[FBIS Translated Text] Norvey Ramirez, Farley Sanchez, Jair Munoz Arboleda, Oscar Armando Munoz, Carlos Gonzalez Usme, Henry Escudero, German Perez, Leandro de Jesus Vasquez, Ivan Jose Sanchez Vasco, Famir Flores, Mauricio Canola Lopera, Elkin de Jesus Cano, Nelson Uribe Pena, Berney Restrepo, Edward Andrey Correa, and Johnny Alexander Ramirez Lujan, are 14 [as heard] of the 16 victims of a massacre that took place the evening of 29 June in southwestern Medellin. The authorities of Antioquia added that four people have been hospitalized under strict surveillance and at various health facilities in Medellin. These individuals could be key witnesses of the incident in which 16 people were killed by militias.

Colombia: Police Head Links 'Massacre' to Militias, Gangs

PA3006222896 Santa Fe de Bogota Radio Cadena Nacional in Spanish 1500 GMT 30 Jun 96

[From the "RCN Radio Events" newscast]

[FBIS Translated Text] General Alfredo Salgado Mendez, commander of the Medellin Metropolitan Police, has attributed the recent massacre of 16 youngsters in the community of Belen-Altavista, southwest Medellin, to a retaliation or the settling of a score between militia groups and members of the local gang Los Victorinos.

Salgado has said three members of Los Victorinos were murdered inside a taxi on Thursday, 13 June, presumably by members of a militia.

Colombia: Minister Writes Letter to U.S. on Extradition

PA3006015596 Paris AFP in Spanish 1515 GMT 29 Jun 96

[FBIS Translated Text] Santa Fe de Bogota, 29 Jun (AFP) — Colombia today backed the United States in its efficient, frank, and serious war on drug trafficking, despite the fact that the Colombian Constitution of 1991 prevents Colombians from being extradited to that country.

Justice Minister Carlos Medellin stressed in a letter to a U.S. Government official that there are other roads to advance in tasks that will offer the two countries an alternative to a clean and free life. The minister told the local press that the Colombian Government will continue to cooperate in the war on drug trafficking. U.S. Attorney General Janet Reno just days ago officially requested that the Colombian Government extradite Cali cocaine cartel "capos," including brothers Gilberto and Miguel Rodriguez Orejuela, Helmer "Pacho" Herrera, and Juan Carlos Ortiz.

Medellin said that although the extradition treaty does not apply in Colombia, the government continues extraditing foreigners wanted in the United States in compliance with the Penal Procedural Code and international principles of solidarity in the struggle against drug organizations. Medellin recalled the recent wave of violence and terrorism that the Medellin cocaine cartel of the late Pablo Escobar Gaviria (killed by police in December 1993) has been staging due to the application of the extradition procedure, which was then in effect.

The minister stresses in the letter to Reno: "My country feels that international cooperation in the struggle against organized crime is essential to reaching the goals that we set. In line with that policy, we want to expand cooperation with the United States."

In laying out Colombia's official position, Minister Medellin advised that honoring U.S. Attorney General Reno's request to extradite four Colombian "capos" would legally "not be viable." He added that "even though not all of them are in detention, they are being tried and processed by Colombia's Office of the Prosecutor General of the Republic and judges." He recalled that although Law 27 of 1980 brought the extradition treaty that Colombia and the United States signed into force, the Supreme Court of Justice ruled the law unconstitutional in 1986. He added that Law 68 of 1986 was declared constitutional even after the government tried to challenge it. Medellin pointed out that the National Constituent Assembly later passed Article 35, expressly prohibiting anyone who was born in Colombia from being extradited. After again stressing the official refusal to extradite, he said that the Colombian Government will soon present to Congress a draft bill that would stiffen sentences and reduce privileges for those sentenced on drug trafficking charges.

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Colombia: Ex-Prosecutor Says U.S. Visa Revocation 'Wicked'

PA2906012296 Santa Fe de Bogota Inravision Television Cadena 1 in Spanish 0000 GMT 29 Jun 96

[Scheduled "24 Hours Newscast"; monitored from relay by Lima Sistema Unido de Retransmision Television]

[FBIS Translated Text] The U.S. Government today revoked former Colombian Prosecutor General Gustavo de Greiff's visa. De Greiff, who is the current Colombian ambassador to Mexico, termed the decision wicked and unfair.

The U.S. Government made this decision on the grounds that De Greiff could be related to drug traffic. In a communique released today, he says that this is a campaign against him because he said that the U.S. counterdrug policy is not appropriate. He also said that, although he is not interested in traveling to the United States, he will ask organizations that defend civil rights to combat this measure, which he regards as wicked and unfair.

Colombia: Minister Views Advisory Commission Meeting

PA2906004496 Santa Fe de Bogota Emisoras Caracol Network in Spanish 2047 GMT 28 Jun 96

[News conference by Foreign Relations Minister Rodrigo Pardo Garcia-Pena with unidentified moderator and domestic reporters at Narino Palace following a meeting by the Foreign Relations Advisory Commission — live or recorded]

[FBIS Translated Text] [Pardo, broadcast in progress] ...this message, in turn, was handed by President Chirac to the seven presidents who are members of this group. Some of its aspects will be included in the discussions that are being held; later, there will be direct follow-up mechanisms among the presidents on the standpoints developing countries have on issues that have to do with developed countries. In addition, there was also a report on the current relations between Colombia and Venezuela. For this, the president invited Dr. (Pedro Gomez Barrero), president of the Binational Negotiating Commission, which met again recently. The state of these relations in the last few months was examined in this meeting.

Finally, the progress made in the process to reorganize and modernize the Andean Group, which is now called the Community of Andean Nations, was mentioned; as well as the approval of the Trujillo Act, which amends the Cartagena Agreement; the signing of new regulations for the Andean Justice Court [Tribunal Andino de Justicia]; and the signing, on 30 June in Rome, of a document that will facilitate political talks between the Andean Community and the European Union. This is a brief explanation of the issues discussed. Now, I give you the opportunity to ask the questions you may want to ask.

[Moderator] The first question is from (Cesar Sabogal) from the daily EL TIEMPO.

[(Sabogal)] Foreign Minister, what were the recommendations of the Advisory Commission regarding the United States, I mean, the relations with the United States? Why was the international treaty on extradition currently in effect not denounced on time before the international community?

[Pardo] Well, the last part of the question is not an issue that the Advisory Commission discussed. One would have to ask the government at that time. As for the recommendations, let us say that it was not like a consensus or a specific conclusion; several viewpoints were presented. President Samper's position has been clear: We want to promote large efforts to improve the relations with the United States by admitting that we are starting from a very awkward position for several reasons, including the fact that there is an election campaign going on in the United States, the drug issue could, by its very nature, trigger problems, and the Colombian domestic crisis, which is, naturally, being watched very closely by the United States.

However, if I had to mention one thing that comprises a general opinion, it would be the fact that we are seeking an improvement, or at least we are trying to prevent further deterioration in the relations with the United States.

[Moderator] Question from Harriet Hidalgo of Notisuper.

[Hidalgo] Good afternoon, Mr. Foreign Minister. Will you state your agreement or disagreement regarding the United States' request for an extradition?

[Pardo] Well, the answer to that request was given in a timely manner by the Ministry of Justice two days ago, indicating that current legal norms do not allow the extradition of citizens who are Colombians by birth.

[Moderator] Question from Cesar Mauricio Velasquez of CM& Newscast.

[Velasquez] Minister, even if the law states Colombia cannot extradite Colombians to another country, specifically to the United States, have you — as representative of the government — and the government considered the possibility of reinstating the extradition in some way, as a useful mechanism, if other countries evaluate it as such, to combat drug trafficking?

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[Pardo] Even if there is a debate on the advisability of the extradition and even if the country eventually considers it a useful instrument, the truth is that we are currently involved in a series of situations in which the extradition is simply impossible. It is impossible because the treaty with the United States was declared impracticable by the Supreme Court of Justice in due time, in 1986. It is also impossible because, as you know, a amendment was added to the Constitution forbidding the extradition of Colombian citizens. Therefore, an eventual reinstatement of the extradition of Colombian citizens would require legislative changes that would need much more time than the one we have to solve in the short-term situations that deserve the national government's full attention.

Consequently, the government is determined to issue legal measures that strengthen the justice sector's ability to punish criminals. I want to state that we share Attorney General Janet Reno's and the United States' interest in punishing criminals and their interest in creating international cooperation mechanisms, not only to improve the struggle against drugs, but also to guarantee that sentences and punishments given to criminals who perpetrate transnational crimes are sufficient to satisfy the international public opinion. However, since we currently lack a legal instrument for the extradition of nationals, we have to use the instruments that we have. Therefore, the Samper administration is interested in strengthening mechanisms for the management of Colombian justice. Regardless of the extradition, the punishment of criminals is a responsibility, and an initiative, of the Colombian Government.

Colombia: 'Expert' Views U.S. Extradition Request 'Ploy'

PA2706195296 Santa Fe de Bogota Inravision Television Cadena 1 in Spanish 1730 GMT 27 Jun 96

[From the "National Newscast"; monitored from live relay by Lima Sistema Unido de Retransmision Television]

[FBIS Translated Text] The United States knows that the Colombian constitution bans extraditions, but, regardless, it officially requested the extradition of the Cali cartel bosses. If it already knows that the answer is no, what is it seeking with the request. We have found out what may lie behind this new ploy by the U.S. Government.

[Begin recording] [Reporter Yolanda Gomez Torres] According to expert opinion, the United States is seeking political results.

[International affairs expert Pedro Medellin] This is the first big letter the United States has issued in this confrontation with President Ernesto Samper Pizano.

[Gomez Torres] Although this is the first time it says so in writing, the United States has always maintained that the extradition treaty is in force, above the Colombian Constitution. That is why analysts feel that this request puts Samper between a rock and a hard place. Either he allows the extradition and exposes himself to problems at home, or he rejects it and appears as a friend of drug trafficking before the international community.

[Former Attorney General Alfonso Gomez Mendez] I feel that the measure somehow seeks to make the government tell once and for all what its stance is on the matter.

[Gomez Torres] Experts agree on one point. With the formal extradition request, the United States is sending a very clear message to the Samper government: either you keep your promise of more drastic sanctions against drug traffickers, as you announced two weeks ago, or accept other kinds of consequences. [end recording]

Colombia: Russian Envoy Views U.S.-Colombian Relations

PA2806215296 Santa Fe de Bogota Inravision Television Cadena 1 in Spanish 0000 GMT 28 Jun 96

[Report by Gianpaolo Di Martis; from the "24 Hours Newscast"]

[FBIS Translated Text] [Di Martis] Russian Ambassador to Colombia Edgan Agaev commented today about our country's crisis. He believes that Colombian President Ernesto Samper is a legitimate president, adding that the Chamber of Representatives handled this case according to the Constitution and national laws. He did not agree with the U.S. position in this regard.

[Begin Agaev recording] In our opinion, it is quite amazing that the United States believes that it can behave as the world's only judge who may determine whether or not Colombia's actions against drug trafficking are good or not. [end recording]

[Di Martis] Although he believes that the United States is the best partner, he said he did not agree with the U.S. foreign policy in Latin America because, in his opinion, this policy belongs in the nineteenth century.

[Begin Agaev recording] [Words indistinct] There are some instances when it behaves with arrogance, particularly in this hemisphere. [end recording]

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Colombia: Foreign Ministry Advisers on Ties With U.S.

PA2906031596 Santa Fe de Bogota Emisoras Caracol Network in Spanish 1730 GMT 28 Jun 96

[From the "National Newscast"; monitored from live relay by Lima Sistema Unido de Retransmision Television — passages within quotation marks are recorded]

[FBIS Translated Text] If the tension with the United States continues, it could lead to a break in relations. This was stated by Luis Fernando Jaramillo, a member of the Foreign Ministry's Advisory Commission, which meets with President [Ernesto] Samper today. The Advisory Commission members will arrive at Narino Palace in a few minutes and they will bring to the table ideas that differ from the president's ideas. Relations with the United States are still in the critical stage.

[Commission Member Luis Fernando Jaramillo] "With the increase in aggressions and mounting tension on the subject of relations, like the one we currently face, anything can happen. It can easily lead to a break in commercial and diplomatic relations."

Some of the commission members will bring tough proposals.

[Jose Dario Salazar] "Colombia will have no other choice but to reciprocate if they adopt reprisals because international diplomatic agreements work both ways."

However, other members are waiting for developments.

[Luis Fernando Duque] "We cannot deny the fact that these relations undoubtedly face what we could call a critical phase."

Although the commission does not adopt decisions, it will serve to gauge the support that the president has among the different political groups. At least it is known that he does not count on former President [Misael] Pastrana.

Colombia: Operation Freezes 1,000 Accounts in Miami Bank

PA2906190796 Santa Fe de Bogota Inravision Television Cadena 1 in Spanish 1730 GMT 27 Jun 96

[From the "National Newscast"]

[FBIS Translated Text] The Federal Attorney General's Office has ordered the freezing of over 1,000 Colombian accounts at Miami's Atlantic Bank as part of Operation Diamond.

[Begin unidentified reporter recording] The frozen checking accounts, all of which are at Miami's Atlantic Bank, contain over $50 million. U.S. judicial authorities confirmed that one of these Colombian accounts alone registered transactions of over $5 million in one month. The decision made by the Federal Attorney General's Office is related to a money laundering investigation at Atlantic Bank.

A spokesman for the Federal Attorney General's Office acknowledged to the "National Newscast" in Miami that not all frozen accounts are related to money laundering. It was established that among those affected by the freeze are companies belonging to small flower growers such as Aero Floral company, as well as the Frontier maritime company, and even Aces [Central Airlines of Colombia].

Operation Diamond revealed that the Atlantic Bank had an illicit branch in Colombia, from which it made transactions involving illegal funds. [end recording]

Colombia: CTI To Give Up Weapons, Become FBI-Style Firm

PA2806195696 Santa Fe de Bogota EL ESPECTADOR in Spanish 27 Jun 96

[Received via internet]

[FBIS Translated Text] The Technical Investigation Group [CTI] of the Prosecutor General's Office will give up its weapons, will cease to carry out raids and arrests, and will work on defining its new role: an intelligence organization in the best tradition of the FBI of the United States.

Specifically, CTI investigators will focus their work on analyzing financial and accounting records, running computer programs, carrying out expert work, and in general, becoming more professional in the collection of evidence against criminal organizations.

The new CTI structure will begin to operate in Cali and Santa Fe de Bogota, but once training agreements are made official at home and abroad, it will be implemented throughout the national until this organization becomes the core of the work of the Prosecutor General's Office.

The new face of the CTI reflects the Prosecutor Office's determination to directly confront drug trafficking, money laundering, financial crimes, and homicides through investigation techniques that are in keeping with technological breakthroughs.

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Colombia: Counternarcotics Police Destroy 38 Drug Labs

PA2806192796 Santa Fe de Bogota Inravision Television Cadena 1 in Spanish 0000 GMT 28 Jun 96

[Report by Ana Maria Forero; from the "24 Hours Newscast"; monitored from live relay by Lima Sistema Unido de Retransmission Television]

[FBIS Translated Text] With U.S. cooperation, various drug laboratories were destroyed today.

In less than 72 hours, 38 drug laboratories were destroyed in southeastern Colombia. During this operation, the National Police used for the first time the six helicopters donated by the U.S. Government. Also DEA agents worked jointly with Colombian authorities.

[Begin Counternarcotics Police Commander Colonel Leonardo Gallego recording] We have found groups of individuals involved in various activities. According to available information, these are networks devoted to production and processing as well as other crimes in these regions. [end recording]

Apparently, those arrested are members of the FARC [Revolutionary Armed Forces of Colombia] 15th Front, which the authorities say are involved in the murder of the Caqueta governor. Right now, 100 men of the Santa Fe de Bogota Search Bloc are searching for the murderers, while in Solano Municipality, the police station was rebuilt.

Colombia: President Calls For Struggle Against Drugs

PA2806164896 Santa Fe de Bogota Emisoras Caracol Network in Spanish 0200 GMT 25 Jun 96

[FBIS Translated Text] Today, in the first of a series of statements that will be made every Monday, President Ernesto Samper called for a struggle against drug trafficking.

[Begin Samper recording] When the process at the Chamber of Representatives ended, I presented a reconciliation proposal to all the Colombians. I said then that what is important is for all to get together to work for Colombia. Governors, mayors, deputies, aldermen, businessmen, workers, peasants, congressmen from the various political forces, and, especially, the common citizens, said yes to the call for reconciliation.

Thanks to all of you for believing in Colombia.

As of today and for the next few days, we will take a few minutes every week to report to you how we are doing and what we are doing.

Last Friday, for example, I issued measures to defend Colombian textile and wood producers because one thing is to open our doors to imports, and another is to let a mass of products enter the country irregularly, and destroy our industries and our possibilities of generating jobs.

We have problems with employment and the government is making big efforts creating micro enterprises, preparing [words indistinct], but, especially, working for the recovery of sectors such as the countryside and exports.

In spite of all these programs, employment in the construction industry, and in some other industrial activities is not doing well.

In the construction sector, we have been building for some years residences that are not being easily sold any more; in the industrial sector, smuggling is hurting sectors such as textile, shoes, manufacture, and plastic articles.

I am not talking about the smuggling we all know about, the one that takes place during the Christmas season, individual smuggling. I am talking about giant dollar-laundering operations that are basically done by buying merchandise abroad at low prices, with bad [malos] dollars to invade the Colombian market to make good pesos.

We have safeguard clauses to prevent a continuation of these operations. When you buy contraband, you are taking jobs from the Colombians. Don't do it. This week we will adopt measures to encourage the construction of low-cost housing and to appropriate additional funds to help speed up ongoing public works.

Fortunately, the Colombian economy is solid as a rock. It has resisted very strong onslaughts. This was acknowledged by international investors last week when they almost fought over bonds we issued to finance the electrical development of [words indistinct].

Colombia [words indistinct] and pays its debts. Economic stability and growth are due, basically, to us, to our work, to our commitments, to our decision to push our country forward.

We are going to defeat contraband. Let us work to have more jobs. Let us work on this, Colombians.

Good night! [end recording]

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Colombia: Foreign Minister Interviewed on Development Aid

BR2806131896 Paris LE FIGARO in French 28 Jun 96 p 4

[Interview with Foreign Minister Rodrigo Pardo by Irene Jarry; place and date not given: "Rodrigo Pardo: 'Development Aid Must Be Maintained'"]

[FBIS Translated Text] France has decided to broaden the summit of the most highly industrialized countries by asking its G-7 partners, among other things, to resist the temptation to abandon developing countries to their fate, and to improve the effectiveness of their assistance to the Third World. Several non-G-7 countries have been asked for their views. Last week Colombian Foreign Minister Rodrigo Pardo handed to Jacques Chirac the text of the communication from Colombian President Ernesto Samper — who has chaired the Organization of Nonaligned Countries since last October — regarding the problems of third world countries.

[Jarry] What is the major thrust of the message sent to industrialized countries?

[Pardo] The priority is the problems caused by external debt. In some continents, such as Africa and Asia, this debt jeopardizes many countries' economic development. Meeting those payments gives rise to critical social costs. And the problem of the external debt of developing countries has been getting steadily worse. Another concern is the cuts in development aid. The current economic situation in industrialized countries has caused aid budgets to be slashed. Cases such as Bosnia or Palestine, where reconstruction is starting, require such aid. And the pressing requests for assistance from Africa's poorest countries need to be heeded right away.

Last, we insist on the seriousness of the drug problem. This is a threat for every country in the world, which requires decisive action on the part of all members of the international community.

[Jarry] Drug problems are especially urgent for the Colombian Government. What is it going to do to step up the fight against drug producers and smugglers?

[Pardo] Colombia's legislation is inadequate in these areas. For instance, when members of a drug ring are convicted, their belongings are confiscated, but very soon they are given back to them after they have served their — usually very short — sentence. Drug traffickers must be punished more severely. We also need to strengthen our laws on the laundering of drug money. President Samper is going to submit the appropriate bills to Congress.

Reduced Maneuvering Room

[Jarry] President Samper, who was charged with accepting money from drug lords for his election campaign, has just been exonerated by the commission of inquiry after an 18 month probe and political crisis. What are the external consequences of this situation?

[Pardo] While Colombia's image has been affected by these events, economic relations with other countries have not. On the other hand, while our diplomatic relations have remained very good with our EU partners, they are at an all-time low with the United States. Because of the scandal, but above all because the United States is in the midst of an election campaign. President Clinton has little room for maneuver. He must consider both public opinion and the U.S. Congress. Right now, improving his popularity ratings matters more to him than curbing drug consumption.

Regarding the drug problem, the interminable dispute between Colombia and the United States hangs on the fact that they have been blaming each other for the problem: Colombia produces drugs because the Americans use them; the Americans use drugs because Colombia produces them. Whatever the case may be, we need to work together; this is the only chance we have of curbing the drug trade.

Colombia: Opposition to Public Order Zones Said Growing

PA2806190096 Santa Fe de Bogota Emisoras Caracol Network in Spanish 1730 GMT 26 Jun 96

[Report by Alberto Medina; from the "National Newscast"; monitored from live relay by Lima Sistema Unido de Retransmission Television; passages within quotation marks are recorded]

[FBIS Translated Text] Opposition to the Special Public Order Zones is growing among mayors. Two hundred mayors are threatening to resign if their municipalities are declared special zones. Despite opposition, Interior Minister Horacio Serpa continues to defend the measure.

Including Apartado, Turbo, (Carare), and (Cachimbero), 134 municipalities in the country have been declared Special Public Order Zones. The measure does not please mayors because they feel their authority has been usurped.

[Joaquin Valencia, executive director, Colombian Federation of Municipalities] "The measures wrest authority from the mayors. They wrest the mayor's right to be the civilian authority, and obviously they endanger the mayor's life because the mayor is delegitimized."

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Although the measures give one the impression of being in the middle of a war, Minister Horacio Serpa firmly defends them.

[Serpa] "It seems that we give everything a sensationalistic interpretation here. These measures in no way imply abuses or curtail liberties. Some controls have to be implemented. We have to find a way to prevent criminals from winning."

Minister Serpa flew to Uraba this morning to seek support for the government's decision.

Colombia: Public Order Zones Declared in Antioquia

PA2706200496 Santa Fe de Bogota Inravision Television Cadena 1 in Spanish 0000 GMT 26 Jun 96

[Report by Patricia Paradas; from the "24 Hours" newscast]

[FBIS Translated Text] The government's decision to declare four municipalities in Antioquia Department's Uraba region as special public order zones — to facilitate military operations against guerrilla groups, drug traffickers, and paramilitary groups — is considered by Apartado Mayor Gloria Cuartas as a threat to the process that is currently being implemented by her administration.

[Begin recording] [Cuartas] The decision adopted by the military forces worsens the situation that we currently face. Second, why not talk about social investments, why not talk about peace and negotiations on the armed conflict, why do people not talk if they know where the armed groups are located? Consequently, this worsens the situation.

[Antioquia Governor Alvaro Uribe] I issue an appeal for serenity and tranquillity. I respect criticism very much but am dutybound to adopt all the necessary measures to restore public order. [end recording]

In Caqueta Department, which was declared a special public order zone two months ago, 15 mayors are studying the possibility of resigning due to threats from the guerrilla groups. If a crisis occurs in that region, this may result in more than 400 resignations from officials throughout the country.

Ecuador

Ecuador: Alleged Peruvian Arms Purchase Denounced

PY2806215396 Quito Voz de Los Andes in Spanish 1700 GMT 28 Jun 96

[FBIS Translated Text] High-ranking military chiefs and political leaders expressed concern today over the alleged Peruvian purchase of weapons amid the negotiations with Ecuador to find a solution to an old territorial problem.

Ecuadoran dailies denounced on 27 June the alleged arrival of 52 fighters for the Peruvian Armed Forces just as Quito and Lima are engaged in a peace process.

The Ecuadoran press report coincides with Peruvian dailies which on 5 June reported that 24 Sukhoi and 28 MiG-29 motors arrived in Peru as part of a larger purchase.

Army Commander General Paco Moncayo said Ecuador advocates peace because it is not a warmongering country, adding: We are ready to dissuade any adventure or aggression which I hope will not enter anybody's head.

General Moncayo is considered to be the strategist who allowed Ecuador to successfully face a military conflict with Peru between 26 January and 28 February 1995.

Moncayo said the accusation came from the Peruvian press. He explained that this report confirms information he already had.

Asked about the alleged Peruvian purchase, Moncayo said it obviously causes concern throughout South America, not just Ecuador. He said his country is responsibly complying with the peace process.

Moncayo added: I hope the weapons bought will be reported to the commission that was created by Ecuador and Peru to verify the purchase of weapons. The commission is scheduled to hold its second meeting on 15 July in Lima.

The two countries created the Weapons Verification Commission last January. It comprises military officers and diplomats of the two countries, and seeks to prevent an arms race.

General Jorge Ortega, chairman of the Ecuadoran Armed Forces Joint Command, said: Peru is buying weapons. I do not want to talk about units or quantities.

General Ortega stated emphatically that this shows Peru does not really advocate peace with Ecuador. He said the Peruvian purchase represents great concern for the Ecuadoran Armed Forces and people because the two countries are involved in a peace process on the expressed desire of their peoples and Armed Forces.

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Ecuador: Campaign Promises Said Aimed at Undecided Vote

PY2906012096 Madrid EFE in Spanish 1609 GMT 28 Jun 96

[By Susana Madera]

[FBIS Translated Text] Quito, 28 Jun (EFE) — The electoral campaigns of Social Christian Party candidate Jaime Nebot and populist Abdala Bucaram, who are disputing the Ecuadoran Presidency, have been bogged down by an array of generous offers that can hardly be fulfilled, in an effort to attract the votes of the undecided in the 7 July elections.

Both Nebot, candidate for the Social Christian Party (PSC), and Bucaram, of the Ecuadoran Roldosist Party (PRE), have resorted, over the past few weeks, to offering the citizens economic improvement and better access to foodstuffs and housing facilities, in an effort to attact votes to reach the presidency.

"We will have low fuel prices, cheap medicine, cheap foodstuffs, popular prices for construction of houses, a better social security system for the peasants, credits with low interest, and free school books," are some of Nebot's promises.

The offers are an "immediate commitment" to the Ecuadoreans, according to the PSC, a party that is practically bombarding the television viewers and radio listeners with reports on their government plans.

Campaign advertisements are intermixed with an aggressive smear campaign that presents the opponent in obvious populist public rallies, advertisements which — according to PSC representatives — are not "dirty," but only comply with the desire to "tell the truth."

In the "30-second" advertisements, Bucaram is shown while insulting his adversaries or in past actions in which verbal violence is the common denominator.

The PRE's attempt to stay away from the "dirty" campaign has not been fully optimum, and, albeit to a lesser extent thus far, video clips have been published presenting Nebot in a serious incident he staged in Congress when he was insulting a deputy in 1990.

But Bucaram has been characterized by issuing a number of reports on presumed attacks perpetrated against himself, accusations which have been denied in due time by the appropriate government officials.

In his promises, the PRE candidate has also appealed to one of the greatest problems affecting the Ecuadoreans: the cost of the family basket. Thus, among his original offers he had patented the so-called "Saturday of nutrition" [Sabado de la alimentacion] in which he offers agricultural products with a discount of 50 percent.

For Bucaram, health "is not a charity." He appeals to solidarity and offers medical insurance for "pregnancy and delivery, birth, growth, sickness, old age, and death," although he does not specify how he will put his offer into practice.

With regard to the financial system, Bucaram offers to promote an "anti-monopolistic law," and proposes the creation of the bank of coffee, of foreign trade, the bank for handicrafts, and for micro-businessmen. He proposes this even though he has publicly questioned the effectiveness of having so many financial institutions.

Supported by his vice presidential candidate Rosalia Arteaga, a former education minister of the current administration, Bucaram will try, should he win the elections to succeed President Sixto Duran-Ballen on 10 August, to lead an "educational revolution" with the creation of the Culture Ministry, among other initiatives.

Nebot, who has, since 19 May — the date of the first round of elections — focused his campaign on the Ecuadoran mountainous region, has offered "free electricity supply for the rural zone," and better and stable public jobs.

These, among many other offers, have been viewed by several Ecuadoreans as "mere campaign matters" difficult to fulfill due to the economic crisis in which Duran-Ballen leaves the country after his four-year administration.

Last year it was especially difficult for the country because of the war against Peru, scarcity of electricity supply, and the scandal over the presumed misuse of public funds by then Vice President Alberto Dahik, who is now at large.

Paraguay

Paraguay: ANR President Argana Criticizes U.S. Envoy

PY2906001196 Asuncion ULTIMA HORA in Spanish 28 Jun 96 p 9

[Quotation marks as published]

[FBIS Translated Text] The president of the ANR [National Republican Association-Colorado Party] said last night that those who question the party position against privatizations represent "transnational companies that only seek to take our riches." The remark was a direct reference to U.S. Ambassador Robert Service.

The Colorado Party president participated in a political rally organized in his honor by Paraguayan Central Bank

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(BCP) employees at the Bank Pensioners and Retired Workers Fund premises last night.

Luis Maria Argana, a defender of the Colorado Party policy against the "savage" privatization of public companies, said: "When we condemn privatization, the voices that represent transnational companies threaten to suspend economic aid to Paraguay."

He added: "But these evil individuals who use the power of money that is indifferent to social needs of the people must know that, no matter what, Paraguay will continue to be a sovereign country.

Let them suspend that economic aid, but our country will continue sovereign. This is categorical," Argana said.

The Colorado leader added: "No one will come here to impose on us an obsolete doctrine that pushed many countries to failure, hunger, and misery. This doctrine has been resuscitated by entrepreneurial policies that only seek profit with total indifference to social costs."

He said: "We see ourselves compelled to make exact and clear declarations about the neoliberalism that immersed Mexico, Brazil, and other countries in hunger and misery."

"This doctrine is also the source of corruption, as happens in Argentina, with the savage and dishonest privatizations that some want to implement in Paraguay to benefit foreign interests and multinationals," Argana said.

The Colorado leader concluded: "All this is being done to convert a noble monopoly in state hands into a monopoly in private hands, which will be exclusive and will consume the entrails of our people. These people have no other objective."

Paraguay: Brazil's Cardoso Notes Support for Democracy

PY2806222296 Asuncion ABC COLOR in Spanish 27 Jun 96 p 13

[FBIS Translated Excerpt] Brazilian President Fernando Henrique Cardoso made it clear that his presence in Paraguay does not imply personal support for his Paraguayan counterpart Juan Carlos Wasmosy, but support for the Paraguayan people. He made this remark at the Brazilian Embassy before a meeting with political leaders.

Before boarding the plane to return to Brazil, Cardoso met with Domingo Laino and Miguel Abdon Saguier of the Authentic Radical Liberal Party, Carlos Filizzola and Guillermo Caballero Vargas of the National Encounter Party, and Jose Antonio Moreno Ruffinelli of the Colorado Party. Moreno Ruffinelli explained that his presence was motivated by his friendship with Brazilian Government officials.

Cardoso stressed that democracy is essential for Mercosur [Common Market of the South], adding that this premise was included in new the regional integration agreement.

Asked about the significance of his short visit to Asuncion and whether it represented a support for President Wasmosy, Cardoso said: "No, no. This is institutional support." Last April, Wasmosy endured the worst civilian-military crisis since he assumed the government.

Cardozo told local and foreign journalist: "As a representative of a Mercosur member country, I express institutional support for the Paraguayan people." [passage omitted]

Cardozo noted: "It is unnecessary to convey specific support for President Wasmosy, who is fulfilling his democratic duties," adding: "The situation is completely normal in Paraguay." [passage omitted]

Paraguay: Wasmosy Discusses Integration, Democracy

PY2906022696 Asuncion ABC COLOR in Spanish 27 Jun 96 p 13

[FBIS Translated Excerpt] "Democracy may be possible without integration, but integration is impossible without democracy." This is what President Juan Carlos Wasmosy told his Brazilian counterpart Fernando Henrique Cardoso during a ceremony to recall the 30th anniversary of the signing of the Iguazu Falls Act, the basis for the Itaipu Treaty. Both presidents reiterated their commitment to defend democracy during the meeting at Government House.

The Brazilian president was decorated by the government with the "Francisco Solano Lopez" collar during his brief visit to our capital. The ceremony took place at the Independence Hall of Government House. The two presidents confirmed their commitment to defend democracy. [passage omitted]

Expressing his gratitude, the Brazilian president said he received the decoration as a "friend" of Paraguay. Cardoso promised to "defend and continue to defend" democracy and to encourage everything related to understanding, cooperation, and working together within the framework of integration. Cardoso said Paraguay is an important partner for the Brazilian people in all matters concerning integration and commerce, and stressed the firmness of the Paraguayan people to defend their

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institutional system during last April's military crisis. Wasmosy and Cardoso then signed a joint communique reaffirming the goal of cooperation and harmonious development.

Peru

Peru: Air Force Denies Purchase of Jet Fighters

PY2806213196 Madrid EFE in Spanish 2219 GMT 27 Jun 96

[FBIS Translated Excerpt] Lima, 27 Jun (EFE) — Peruvian military officials today denied the purchase of 52 fighters for the Peruvian Air Force, as reported in Ecuadoran dailies.

The Peruvian Air Force Information Office told EFE that no military materiel has arrived in Peru, because "had it arrived, which is absolutely untrue, we would have been the first to know."

The source added: "Ecuador is now engaged in a paper war. Every day there are reports of troop mobilization at the border, or the purchase of weapons, which are not true."

The Ecuadoran dailies EL UNIVERSO and EXPRESO carried reports that 24 Sukhoi and 28 MiG-29 motors arrived in Peru on 5 June, amid a peace process between the two countries.

The Peruvian source said the last time the Air Force bought military equipment was 10 years ago when the administration of ex-President Alan Garcia purchased 10 Mirage 2000 fighters from France. [passage omitted]

Peru: Administration Interested in Joining Mercosur

PY2806114496 Sao Paulo O ESTADO DE SAO PAULO in Portuguese 27 Jun 96 p B22

[FBIS Translated Text] Lima — The Peruvian administration yesterday announced its intention to step up the process of integration with the Common Market of the South, Mercosur. Lima government sources reported that the customs tariffs will be reviewed as of July to equate them with those in effect in the Mercosur countries.

According to Lilliana Canale, Peruvian industry, tourism, integration, and international trade negotiations minister, the first stage of the negotiations, which will be about the revision of the bilateral agreements with Argentina, Brazil, Paraguay, and Uruguay, should conclude this year. "We regard the Mercosur as a very important and dynamic market," Canale said. "We will immediately engage in the negotiations process, but we must achieve greater competitiveness to be at a level with the rest of the Mercosur countries," she said.

Bolivia's unilateral association with the Mercosur this week and Venezuela's open intention to do the same practically represents the end of the Andean Pact to which the mentioned countries belong, besides Ecuador and Colombia.

The Andean Pact has been in crisis since 1992, when Peru broke away from it on account of the war with Ecuador and disagreements between Colombians and Venezuelans.

Andean Pact Committee President Jose Vicente Maldonado, an Ecuadorean, reacted to the fact that the pact is breaking up. He said that "it is absolutely essential that its members remain united."

Colombian Foreign Trade Vice Minister Alfonso Llorete maintains a similar position. "Either we all go on the same chart with clear rules, as the Mercosur is doing, or we do not go at all," he said.

Bolivian President Gonzalo Sanchez de Lozada said that signing an agreement with the Mercosur does not mean that his country will abandon the Andean Pact.

Peru: Nugent Elected Constitutional Court President

PY2806235896 Lima EL COMERCIO in Spanish 25 Jun 96 p A1

[FBIS Translated Excerpt] Yesterday, Ricardo Nugent Lopez-Chavez was elected president of the Constitutional Court for the period that runs from 1996 to 1998.

Nugent beat his closest competitor, Manuel Aguirre Roca, in the first election by five votes to two.

Francisco Acosta Sanchez was elected vice president in the second round by four votes to three. [passage omitted]

The court members are: Ricardo Nugent, Francisco Acosta Sanchez, Manuel Aguirre Roca, Jose Garcia Marcelo, Delia Revoredo de Mur, and Guillermo Rey Terry. [passage omitted]

Peru: Correction—Government Not To 'Back Down' on Reform

PY2706125096 Lima EXPRESO in Spanish 21 Jun 96 p A2

[Corrected version of PY2206015196, originally published on page 68 of the 24 June Latin America DAILY REPORT; rewording passage within slantlines in paragraph five, only sentence, for clarity]

[FBIS Translated Text] Yesterday, President Alberto Fujimori said categorically that the government will not "back down" on the law to reform the judicial branch.

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"Great problems deserve great solutions with decision, firmness, without backing down or hesitation," said Fujimori during the dedication of the Oscar Giha Recreational Center of the National Police.

Fujimori said the law that creates the Judicial Coordinating Council [Consejo de Coordinacion Judicial] is "profound and necessary" to restore confidence in justice and to "guarantee" justice for all Peruvians.

Fujimori added that the results of the reform will be seen in the medium term. He added that the council will create an efficient and modern judicial system.

During the ceremony, in the presence of Interior Minister Juan Briones Davila and National Police Director Ketin Vidal, Fujimori pointed out the need for the National Police to adjust to the reform because that institution is a "/tool for bringing/ justice to the people."

He said the police must regain the confidence of the people by getting close to them and creating a new image.

Venezuela

Venezuela: Minister on Request for Extradition From U.S.

PA3006155496 Caracas Venezolana de Television Network in Spanish 0200 GMT 29 Jun 96

[FBIS Translated Text] Justice Minister Enrique Meyer has confirmed that the Venezuelan Government, through its jurisdictional institutions, has asked the U.S. Government to extradite former banker Orlando Castro Yanes. Minister Meyer said that, although this is a formal request, U.S. authorities will make a decision after the former banker is judged and has served his sentence in that country.

[Begin Meyer recording] That extradition has been formally requested, but I understand that first he will be judged by U.S. courts, because he committed a crime in U.S. territory. Once Castro's legal situation in the United States is settled, U.S. authorities would make a decision on Venezuela's request. [end recording]

Venezuela: Caldera Salutes Army During Carabobo Ceremonies

PA3006180696 Caracas Venezolana de Television Network in Spanish 1423 GMT 24 Jun 96

[Salutation message by President Rafael Caldera, commander in chief of the National Armed Forces, on the occasion of the 175th anniversary of the Carabobo Battle victory at Carabobo Field in Valencia, Carabobo State, on 24 June; read by an unidentified speaker — live relay]

[FBIS Translated Text] President of Venezuela, Caracas, 24 June 1996.

Division General Pedro Nicolas Valencia Vivas, Carabobo Field.

Distinguished General: The celebration of another anniversary of the immortal Carabobo Battle allows us to renew with firm conviction our solidarity with the Venezuelan Army, a forger of freedoms, and our pride for its permanent commitment to service and protection of our national sovereignty and democratic institutions.

We must admit the last few years have not been easy, as they have demanded from the Venezuelan people and their government an understanding of the seriousness of our problems and a commitment to facing them. Each of us has contributed his share of efforts and sacrifice to come out ahead in the construction of wide, solid roads for the country's economic and social development.

In their fundamental task of preserving our state of law and ensuring the country's defense in its institutional strength, the National Armed Forces have played a leading role. In the fulfillment of this role, the Army has clearly demonstrated its commitment to the country's fundamental interests.

On behalf of my government and myself may you receive, Mr. Division General, my congratulations, which also go out to all generals, officers, noncommissioned officers, professional troops, and civilian personnel, especially cadets and students from our academies, as they constitute the most firm hope of the Venezuelan people for the future.

A cordial greeting from Dr. Rafael Caldera, constitutional president of the Republic of Venezuela.

Venezuela: Orozco Salutes Army During Carabobo Ceremonies

PA3006183596 Caracas Venezolana de Television Network in Spanish 1428 GMT 30 Jun 96

[Salutation message by Defense Minister Moises Antonio Orozco Graterol on the occasion of the 175th anniversary of the Carabobo Battle victory at Carabobo Field in Valencia, Carabobo State, on 24 June; read by unidentified speaker — live relay]

[FBIS Translated Text] Caracas, 22 June 1996.

Division General Pedro Nicolas Valencia Vivas, commander general of the Army.

Mr. General: Once again we have the privilege of celebrating at immortal Carabobo Field the battle that

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made the dignity of a Bolivarian America possible. Unable to conceal the pride I feel for being a soldier of the Venezuelan Army, forger of freedoms, whose permanent address is right here, I express to you my heartfelt words of congratulations, because you, as the commander general, have worked hard for your professional and human progress. You have continued moving forward down the good path and following the example of our liberators.

The Venezuelan Army is and always will be a fundamental part of the fatherland, which was able to obtain its freedom thanks to the courage of its men and women, who are determined not to be on their knees but rather facing God, our creator. They have remained firm to prevent any foreign force from trying to take away what they were able to obtain with so much courage.

Today's Army, just as it did in the past, is constantly paying tributes to the ideals it shares with its people. It contributes to the actions demanded by a society increasingly aware of its destiny and of the goals we are all to attain.

The Venezuelan Army knows there are many ways to honor Carabobo, and its men know the fatherland is represented by its plains, wilderness, coasts, mountains and valleys, jungles, deserts, countryside, cities, lands, and seas, and of course, by its great and generous people. It is also our borders. Our hearts beat everywhere as we are transformed into courageous soldiers protective of our sovereignty.

Mr. General, since this date marks the 175th anniversary of the glorious heroic victory in our country and since we are now on immortal Carabobo Field, the permanent address of the Venezuelan Army, I express on my behalf and on behalf of the high military command a fraternal word of congratulations and my most sincere wishes so that this day can serve to renew commitments to strengthen our faith in the destiny of Venezuela and to forge an Army in keeping with the realities of our times, an Army of the present facing the future and encouraged by the immortal flame of Carabobo.

Fellow countryman and friend, Defense Minister Division General Moises Antonio Orozco Graterol.

Venezuela: New Defense Minister Division General Sworn In

PA3006154896 Caracas Venezolana de Television Network in Spanish 0200 GMT 29 Jun 96

[FBIS Translated Text] The National Armed Forces [FAN] will demand from the Colombian Government a correlation of forces on their common border, new Defense Minister Division General Pedro Valencia Vivas said, as he was being sworn in.

On Friday, President Dr. Rafael Caldera swore in new Defense Minister Gen. Pedro Valencia Vivas, who was emphatic over Venezuela's right to legitimate defense. So-called hot pursuit would be one of the ways to make sure that the violation of our sovereignty does not continue.

[Begin Valencia recording] It is an unrenounceable right of the Armed Forces to guarantee security, integrity, and sovereignty. This is part of our fundamental mission, and there will be continuity in these plans and projects. These are fundamentally aimed at the protection of our border area; toward our personnel's social security, particularly the military hospital areas; and toward the modernization of the FAN. These plans and projects are basically aimed at raising the operational capacity of the force. [end recording]

After President Dr. Rafael Caldera swore in the new defense minister, the change of command ceremony took place at Fort Tiuna. Division General Moises Orozco Graterol summarized his work and thanked the president for having entrusted him with the post.

[Begin Orozco recording] [Words indistinct] is subordinated to two points or poles: the beginning and the end. The president of the Republic honored me with the post of defense minister, at the time. I then began a task that I conclude today. I feel compensated with such an honor, and I want to express to you, Mr. President, to you and my fellow military high command colleagues, all officers, especially my fellow classmates, and all my civilian and military friends here today at this ceremony, that even though I am aware of not having done everything that needed to be done, I did do everything humanly possible with the team that I had the pride to lead. I now direct to those team members a sincere word of gratitude. [end recording]

In assuming his post as new defense minister, Div. Gen. Valencia Vivas said that we are facing new times, for which our Armed Forces must be prepared. He added that this is one of his main objectives.

[Begin Valencia recording] [Words indistinct] in my professional life I have met commitments that have represented a great responsibility. Today I assume another one, which entails maintaining the highest level of operational efficiency in the National Armed Forces in order to safeguard our national defense, the stability of democratic institutions, and respect for the Constitution and laws of the Republic. To the same extent, I commit myself to my homeland, its authorities,

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society, and the men and women of our armed forces. [end recording]

Venezuela: Temporary Depository To House Nuclear Waste

PA2906021896 Caracas EL NACIONAL in Spanish 22 Jun 96 p C2

[FBIS Translated Text] For the first time in Venezuelan history, the country's nuclear waste will have its own sanitary depository: the temporary depository built by the Foundation for the Maintenance of the Medical Assistance Infrastructure (Fima) of the Venezuelan Scientific Research Institute (IVIC). This depository began operations on 20 June following two months of construction at a cost of 10 million bolivares.

Fima President Nella Garcia has said this organization will build five additional depositories to prevent radioactive waste materials (which result from the extraction and treatment of uranium, nuclear power generating activities, the exploitation of nuclear plants, the decontamination and closing of nuclear plants, and the use of radio isotopes) from harming the population.

David Lea, head of the IVIC Radio Physics Sanitary Service, has said the real problem in Venezuela is "sources of radioactive wastes whose lifespan has expired and that retain part of their radioactivity." This radioactive waste comes from biomedical and industrial uses.

First, the IVIC depository will store the source of cobalt 60 (for radio therapy) of the Luis Razetti Oncologic Hospital, which was replaced because it is no longer effective for treating patients, but its radioactive waste continues to be highly dangerous. In addition, Lea has said some of the radioactive waste materials have been in the IVIC's custody for more than 30 years, having come originally from Health Ministry hospitals.

As for these depositories, the term "temporary" refers to storage for 100 years.

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